

# Annual Report 2017-2018

# 1112

## The Journey Continues...



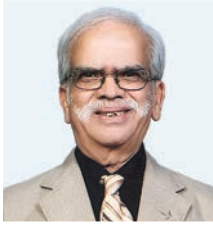
**THE COSMOS CO-OP. BANK LTD.**

(Multistate Scheduled Bank)

*Enriching Life!*

दि कॉसमॉस को-ऑप. बैंक लि. (मल्टिस्टेट शेड्यूलड बैंक)

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**Adv. Jayant Shaligram**  
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**CA Sunil Sabnis**  
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(Upto 27/03/2018)



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Staff Representative



**Suhas Gokhale**  
Managing Director

# अध्यक्षीय मनोगत



सीए मिलिंद काळे  
अध्यक्ष

सन्माननीय सभासद बंधू व भगिनी,

सन २०१७-१८ चा बँकेचा आर्थिक परामर्ष तसेच एकूण बँकिंग क्षेत्रातील घडामोडी व अशा परिस्थितीत आपल्या बँकेने केलेली मार्गक्रमणा याचा थोडक्यात आढावा सभासदांपुढे सादर करीत आहे.

मागील वर्ष सन २०१७-१८ मध्ये सर्वप्रथम जीएसटीच्या अंमलबजावणीमुळे व्यावसायिकांना या नवीन करप्रणालीसंबंधी त्यांच्या व्यवसायाशी निगडित सर्व बाबी मार्गी लावून स्थिरस्थावर होण्यासाठी बराच कालावधी लागला व याचा विपरीत परिणाम व्यवसाय वाढीवर झाला.

गुंतवणुकीसाठी म्युच्युअल फंडसारख्या अन्य पर्यायांचा विचार करून, गतवर्षीपेक्षा यंदा मोठ्याप्रमाणात बँकेतील ठेवी काढून त्या रकमा म्युच्युअल फंडात गुंतविण्यावर ग्राहकांनी भर दिला. रोखीची उपलब्धता असल्यामुळे सार्वजनिक क्षेत्रातील व खाजगी व्यापारी बँकांनी अल्पदरात कर्ज देण्यास सुरुवात केल्यामुळे सहकारी बँकांना त्यांचे आव्हान स्वीकारावे लागले आहे. आपल्या बँकेनेदेखील कर्ज व्याजदर आकारणीमध्ये बदल केले व कर्जदारांना सुधारित कमी दराने व्याजदर देऊ केले आहेत. नजिकच्या काळात बँकेच्या Net Interest Margin वर याचा परिणाम झालेला दिसून येईल.

बँकिंग क्षेत्रात एकूणच अनुत्पादित कर्जांचे प्रमाण वाढत असल्याच्या बातम्या आपण वर्तमानपत्रांमध्ये वाचल्या असतीलच. कित्येक मोठ्या व्यापाऱ्यांनी / उद्योजकांनी काही बँकांची कशी फसवणूक केली याची वेगवेगळ्या माध्यमांमार्फत आपणाला माहिती झाली आहेच. एकूणच निश्चलनीकरण, जीएसटी आणि त्यानंतर उघड झालेले मोठ्या रकमेचे आर्थिक घोटाळे या सर्वांमुळे बँकिंग क्षेत्रामध्ये अस्थिरता निर्माण झाली. त्यामुळे बँकांना अविश्वासाची ही पोकळी भरून काढण्यासाठी अथक प्रयत्न करावे लागत आहेत. अशा अडचणींच्या व अवघड परिस्थितीतही सर्व सहकारी बँका निश्चयाने वाटचाल करीत आहेत. त्यासाठी आपल्या बँकेमध्येदेखील मोठ्या कर्जखात्यांचेबाबतीत कर्जवितरणापश्चात कर्जवापरावर आवश्यक नियंत्रण ठेवण्यात येत आहे.

खाजगी व व्यापारी बँकाबरोबरच सहकारी बँकांनीही व्यावसायिकतेकडे अधिक काटेकोरपणे लक्ष केंद्रीत केल्याचे दिसते. आपल्या बँकेनेदेखील रिटेल व्यवसायावर अधिक भर दिला आहे. छोट्या कर्जातील कमी जोखीम विचारात घेता, छोट्या उद्योजकांसाठी तसेच अग्रक्रम क्षेत्र व दुर्बल घटक क्षेत्र यांना योग्यवेळी योग्य रकमेचा पतपुरवठा करून सक्षम करण्यासाठी शाखास्तरावर प्रयत्न करण्यात येत आहेत. समाजातील सर्व घटकांना बँकिंग क्षेत्राशी जोडण्यात नागरी सहकारी बँकांचे मोठे योगदान आहे. आपली बँकही वित्तीय समावेशनाच्या माध्यमातून समाजातील आर्थिकदृष्ट्या असंघटीत असलेल्या घटकांना अर्थसाहाय्य उपलब्ध करून देत आहे.

तंत्रज्ञानाच्या वाढत्या वापरामुळे बँकिंग क्षेत्रात मोठे बदल होत आहेत. कालानुरूप बदल स्वीकारून Finacle १० ही कार्यप्रणाली आपल्या बँकेने यशस्वीरित्या कार्यान्वित केली आहे. त्यामुळे पुढील काही वर्षात येणाऱ्या तंत्रज्ञान विषयक सुधारणा स्वीकारण्यासाठी आपली बँक सज्ज आहे. त्यासाठी सेवकांना देखील त्यासंबंधी आवश्यक प्रशिक्षण वेळोवेळी देण्यात येत आहे.

सन २०१६-१७ या आर्थिक वर्षाचे लाभांश वाटपाकरीता सर्वसाधारण सभेचे मागणीनुसार रिझर्व्ह बँकेकडे बँकेने अर्ज केला होता. त्यानुसार लाभांश वाटपासाठी रिझर्व्ह बँकेने अधिकतम रकमेची मर्यादा बँकेस निश्चित करून दिली होती. परंतु यापेक्षा अधिक रक्कम लाभांशासाठी उपलब्ध होण्यास आपली बँक पात्र आहे असा आपला ठाम विश्वास होता. त्याप्रकारे अंदाजे ५% लाभांश देता आला असता. म्हणून यासाठी रिझर्व्ह बँकेकडे सातत्याने पाठपुरावा करण्यात आला. तसेच त्यांचे अधिकाऱ्यांनी वेळोवेळी केलेल्या मागणीनुसार आकडेवारी सादर करण्यात

आली. परंतु, विविध निकषांचे आधारे याबाबतची बँकेची विनंती रिझर्व्ह बँकेने अंतीमतः त्यांच्या दि.३० जुलै २०१८ रोजीच्या पत्रान्वये अमान्य केली आहे. सबब, रिझर्व्ह बँकेने लाभांश वाटपासाठी निश्चित करून दिलेल्या अधिकतम रकमेच्या मर्यादेत राहून तत्काळ दि.३१ जुलै २०१८ रोजी २.८०% दराने लाभांश वितरण करण्यात आले आहे. अशाप्रकारे बराच पाठपुरावा करून व मागणी रास्त असूनदेखील सभासदांना जादा लाभांश देता आला नाही. परंतु, रिझर्व्ह बँकेचे सहकारी बँकांकरीता सदर विषयी धोरण निश्चित नसल्याने नवीन अभ्यास करून धोरण निश्चित करावे लागेल असे अधोरेखित झाले आहे.

व्यवस्थापनात केलेल्या मोठ्या फेररचनेचा योग्य फायदा गतवर्षात आपल्याला मिळाला नाही. परिणामी अपेक्षितरित्या अनुत्पादित व बुडित कर्ज रक्कम वसूल झाली नाही. चालूवर्षी नफा अत्यल्प होण्याचे हे एक मुख्य कारण आहे असे मी नमूद करीतो. त्यावर तातडीचा उपाय म्हणून चालू आर्थिक वर्षात वसुली व्यवस्था अधिक सबळ करण्यात आली असून एकूण चार जनरल मॅनेजर व तीन असि.जनरल मॅनेजर दर्जाचे अधिकारी बँकेच्या व्यवस्थापकीय संचालक यांचे मार्गदर्शनाखाली आजपर्यंतची सर्वोच्च वसुली करतील अशी आम्हास खात्री आहे.

आंतरराष्ट्रीय व राष्ट्रीय स्तरावर होणाऱ्या व्याजदर बदलांचा मोठा परिणाम आपल्या राज्य व केंद्र सरकारी रोख्यांचे बाजारमूल्य ठरण्यावर झाला आहे. अहवाल वर्षाच्या दुसऱ्या सहामाहीमध्ये महागाई दर व वित्तीय तूट अपेक्षेपेक्षा जास्त वाढल्यामुळे व्याजदर वाढण्याची शक्यता वाढली. व्याजदरात वाढ होण्याची शक्यता वाढल्यामुळे सरकारी रोख्यांचे मुल्यामध्ये घट झाली आहे. त्यामुळे त्याचा चांगलाच फटका बँकिंग क्षेत्राला बसला आहे. अशा परिस्थितीत गुंतवणूक क्षेत्र अधिक संवेदनशील झाल्यामुळे गुंतवणूक धोरण ठरविताना विशेष काळजी घेणे आवश्यक झाले आहे. अशा गुंतवणुकीतून शाश्वत उत्पन्नाच्या हमीचेही जोखीम व्यवस्थापन अधिक काटेकोरपणे करावे लागणार आहे. शासकीय रोख्यांचे भाव घसरलेले आहेत. प्रत्यक्ष किमतीला घेतलेला शासकीय कर्जरोखा व त्याचा वर्षअखेरीचा भाव यातील घटलेल्या फरकाची वर्षअखेरीस घसारा म्हणून रु.७२.४२ कोटी तरतूद करावी लागली आहे. व्यापारी बँकांना अशी घसारा तरतूद करण्यासाठी ४ तिमाहींचा पर्याय दि.०२.०४.२०१८ रोजीच्या विशेष परिपत्रकाने रिझर्व्ह बँकेकडून देण्यात आला आहे. त्यानंतर अशा स्वरूपाचे धोरण सहकारी बँकांकरीता ठरविण्यास रिझर्व्ह बँकेने बराच कालावधी घेऊन दि.०६.०७.२०१८ रोजी सहकारी बँकांकरीता परिपत्रक काढले. सदर परिपत्रकानुसार रु.१०० कोटीपेक्षा कमी ठेवी असणाऱ्या सहकारी बँकांना काही प्रमाणात घसारा तरतुदीची सवलत मिळाली. मात्र मोठ्या नागरी सहकारी बँकांना हा पर्याय रिझर्व्ह बँकेने उपलब्ध करून न दिल्यामुळे आपल्या सारख्या बँकांना अशी तरतूद करावी लागली आहे व ही आवश्यक घसारा तरतूद आकस्मिक असल्याने आपल्या बँकेने त्याकरीता आजपर्यंतच्या संचित आकस्मिक तोट्यांसाठीच्या राखीव निधीतून रक्कम रु.७२.४२ कोटी नफानुकसान खाती वर्ग केली आहे.

स्वावलंबीपणा हा नागरी सहकारी बँकांचा स्थायीभाव आहे. आज आपण आपला व्यवसाय कोणत्याही अगदी शासनाच्या कोणत्याही मदतीशिवाय करीत आहेत. प्रतिकूल परिस्थितीतही बँकेने नफा मिळविण्याचा प्रयत्न केला. निश्चित केलेल्या अनुत्पादित कर्जापोटी दरवर्षी टप्प्याटप्प्याने बुडित व संशयित कर्जनिधीची तरतूद करावी लागते. गेल्या काही वर्षात निश्चित केलेल्या अशा अनुत्पादित कर्जांची क्रमशः वाढीव तरतूद ही या वर्षाच्या एकूण तरतुदीपैकी मोठा हिस्सा आहे व अशी रक्कम रु.१०३.१० कोटी इतकी आहे. अशाप्रकारे अनुत्पादित कर्जासाठी कराव्या लागणाऱ्या तरतुदींचा नफ्यावर अधिक बोजा आल्यामुळे ऑपरेटिंग प्रॉफिट रु.२२१.६७ कोटी इतका मिळवूनही अत्यल्प निव्वळ नफा रु.६.६९ कोटी शिल्लक राहिलेला आहे. त्यामुळे चालू आर्थिक वर्षाकरीता लाभांश वाटप शक्य नसल्यामुळे लाभांश वितरणाचा कोणताही प्रस्ताव या सर्वसाधारण सभेपुढे यावर्षी संचालक मंडळाने मांडलेला नाही, याचा आम्हास अत्यंत खेद होत आहे.

यावर्षीच्या वाढीव तरतुदींचा प्रतिकूल आर्थिक परिणाम बँकेच्या मूळ भक्कम आर्थिक परिस्थितीवर होणार नाही याची आम्हास खात्री आहे. यामुळे आपली बँक पूर्ववत नफा कमविण्यास सक्षम आहे व ती यापुढेही आपल्याच सहकार्याने कायम सक्षम राहिल अशी आशा बाळगतो.

धन्यवाद!

आपला स्नेहांकित,



मिलिंद काळे

अध्यक्ष

# Chairman's Address

Dear Shareholders,

I am presenting before you the financial results of your Bank for the F.Y. 2017-18 and various developments in the Indian Banking Sector and the challenges faced by your Bank.

In the year 2017-18, GST was implemented in the country and it took long time for the businesses to put in place all their state of affairs which has adversely affected the business growth.

In the current year, the customers preferred other investment avenues like Mutual Funds and even withdrew their bank deposits on large scale for investing in the same. The Co-operative Banks faced huge competition as Private and Commercial Banks lowered the rate of interest on advances due to availability of large amount of liquid funds. Your Bank has made dynamic changes in the interest rates and has offered loans at competitive rate of interest. Resultantly, the Net Interest Margin of the Bank will be affected in near future.

The news regarding the ever-rising Non-Performing Assets in the entire Banking Sector are regularly being published in the Newspapers. Many of us are aware about the scams and frauds committed by big industrialists/businessmen which were published through various media reports. Overall Demonetization, GST and detection of large loan fraud cases destabilized the total banking sector. The banks are required to take untiring efforts to make good the loss. All Co-operative Banks are marching with determination through this obstacles and difficult situation. Your Bank is closely monitoring and supervising large loans as ongoing process.

Like Private and Commercial Banks, the Co-operative Banks are also concentrating on and adopting professional banking approach. Your Bank has emphasized on Retail Loan Business Segment. Considering the low risk in retail loans and to strengthen the small entrepreneurs, priority sectors and weaker section, your Bank is committed to provide right amount at right time to the borrowers. Urban Co - Operative Banks have made a great contribution to connect all the sections of the society to the Banking Sector. Through Financial Inclusion, your Bank is providing financial assistance to the financially unorganized sections of the society.

There is a tremendous transformation in the Banking Sector due to ever increasing utilization of the technology. As a need of the hour, your Bank has successfully implemented Finacle 10 system and is well-equipped to accept the future technology changes and the essential training for the same is being provided to the staff periodically.

As decided in the Annual General Meeting, your Bank submitted an application to the Reserve Bank of India for permission for Distribution of Dividend for the F.Y. 2016-17. Accordingly, the Reserve Bank of India permitted the Bank to distribute dividend at a certain percentage which was not as expected. However, we were confident that your Bank was eligible for a higher dividend amount than specified and we could distribute the dividend at the rate of 5% atleast. Similarly, the financial information as demanded by the RBI Officials was submitted from time to time. Ultimately, based on various criteria, the Reserve Bank of India vide its letter dated 30<sup>th</sup> July 2018 has finally rejected the request of the Bank. Hence, as per the maximum amount permitted by the Reserve Bank of India for distribution of dividend, the Bank has immediately distributed the dividend @2.80% on 31<sup>st</sup> July 2018. In spite of various submissions and regular follow-up thereon for our genuine request for dividend, RBI did not approve the dividend percentage as applied by your Bank. Specific guidelines from RBI for co-operative sector in this matter are required to be put in place.

Your Bank was unable to reap expected results from organizational changes done at higher level management. Recovery in Non-Performing and Write-Off Accounts was not achieved. I would like to state here that, this was the pivotal cause of inadequate profit for the year gone by. As a corrective measure on the same, we have reinforced and strengthen the recovery team in the current year by appointing 4 General Managers and 3 Assistant General Managers to work under the guidance of the Managing Director. We are confident that this change will achieve highest recovery during the current year to make a turnaround.

The interest rate fluctuations in the International and National markets was the major factor affecting the market of the State and Central Government Securities. In the second half of the year under report, the chances of rising interest rates were augmented owing to unexceptional increase in inflation level and fiscal deficit.

Due to the forecasts of increasing interest rates, the value of the Government Securities were declined. This adversely affected the Banking Sector. Owing to such situations investment sector became more sensitive and your Bank had to take extra precaution while deciding the Investment Policy. Risk Management should be undertaken more strictly to ensure sustainable income from such investment. The prices of Government Securities are declining.

The difference in the actual amount invested in the Government Securities and its rate at the end of the year has resulted into provision of ₹72.42 crore for the said depreciation. Reserve Bank of India vide its circular dated 02<sup>nd</sup> April 2018 has given an option to make this depreciation provision in 4 quarters to the Commercial Banks. After a prolonged period, the Reserve Bank of India issued a circular for the Co-operative Banks on 06<sup>th</sup> July 2018 to decide the policy on the same lines. As per the said circular, the Co-operative Banks holding deposits of less than ₹100 crore were allowed to spread the depreciation. However, this option was not made available for the Large Urban Co-operative Banks. Therefore, considering this unpredicted depreciation provision, your Bank has transferred an amount of ₹72.42 crore to the Profit and Loss Account from the Accumulated Unforeseen Losses Reserve.

Self-sufficiency is the fundamentals of the Urban Co-operative Banks. Co-operative Banks are standing tall without any support from the Government. Your Bank has took wholehearted efforts to yield profits in this adverse situation. The BDDR provision for NPA accounts is made according to the account category which may vary/ increase year on year. The increased provisions made for the Non-Performing Accounts of the last couple of years forms the major portion of the provisions made for the current year which amounts to ₹103.10 crore. Hence even after booking an Operating Profit of ₹221.67 crore, the increased provisions for such Non-Performing and Write-Off Accounts has resulted into net profit of mere ₹6.69 crore. We express our deep regrets as we will not be able to distribute any dividend for the current year, hence, the Board of Directors have not recommended any proposal for the same in this Annual General Meeting.

We are confident that the strong financial foundation of the Bank will not be affected in spite of the burden of provisions for NPA accounts. Your Bank is capable enough to earn profits as in the previous years and I hope that with your valuable support, your Bank will achieve substantial profits in the years to come..

Thank you!  
With best regards,



**Milind Kale**  
Chairman

**Name of the Bank: The Cosmos Co-operative Bank Ltd.** (Multistate Scheduled Bank)

**Registered Office:** Cosmos Tower, Plot No.6, S. No. 132/B, ICS Colony, University Road, Ganeshkhind, Pune 411 007

**Registration No. & Date:** Under the Co-operative Credit Societies Act, 1904. Reg. No.20, dated 18<sup>th</sup> January 1906

**Under Multistate Co-op Soc. Act, 1984,** MSCS/CR/72/97 dated 28.11.1997

**Under Banking Regulation Act, 1949,** ACD/MH/188 P dated 11.03.1980

**Incorporated in the Second Schedule as per Reserve Bank of India (RBI) Act, 1934**

UBD/BR.324/A-9-90/91, dated 01.11.1990

**Area of Operation:** State of Maharashtra, Madhya Pradesh, Karnataka, Gujarat, Tamil Nadu, Andhra Pradesh and Telangana

### HIGHLIGHTS As on 31<sup>st</sup> March, 2018

A) आर्थिक / Financials		(₹ in crore)
तपशील / Particulars	As on 31.03.2018	As on 31.03.2017
भागभांडवल / Paid up Share Capital	371.64	382.96
एकूण निधी / Reserves and other Funds	1,612.45	1,450.41
भांडवल पर्याप्तता प्रमाण / Capital Adequacy Ratio (CRAR)	13.95%	15.38%
ठेवी / Deposits		
बचत / Savings	2,738.04	2,662.97
चालू / Current	868.86	775.59
मुदत / Term	11,325.60	12,210.60
एकूण / Total	14,932.50	15,649.16
पतपुरवठा / Advances		
तारणी पतपुरवठा / Secured	10,735.05	11,438.54
बिनतारणी पतपुरवठा / Unsecured	35.88	22.56
एकूण / Total	10,770.93	11,461.10
कर्जे / Borrowings	684.51	731.79
एकूण गुंतवणूक / Total Investments	5,090.74	5,230.88
थकबाकी प्रमाण / Overdues (Percentage)	6.15%	6.23%
नफा / Profit for the year	6.69	71.73
मागील वर्षाचा शिल्लक नफा /Previous year's Profit c/f	17.63	10.98
खेळते भांडवल / Working Capital	17,631.55	18,400.14

B) इतर / Others		
तपशील / Particulars	31.03.2018	31.03.2017
शाखा / Total Branches	140	140
सभासद / Members	78,815	75,673
नाममात्र सभासद(कर्जदार) / Nominal Members (Borrowers)	5,553	5,614
<b>एकूण सेवक / Total Staff</b>	<b>2,809</b>	<b>2,896</b>



## Management Team

### Managing Director

Mr. Suhas Gokhale

### Chief General Managers

Ms. Nayan Lagad

Mr. Avinash Rana

Ms. Apekshita Thipsay  
(From 1<sup>st</sup> December 2017)

### General Managers

Mr. Vijay Vaidya

Ms. Sulekha Deuskar  
(Till 31<sup>st</sup> May 2018)

Ms. Madhuri Marathe  
(Till 31<sup>st</sup> May 2018)

Mr. Rajendra Pandit

Mr. Sunil Panse

Mr. Anil Barve

Mr. Manoj Shah

Ms. Akanksha Rane

Mr. Avinash Chavan

Mr. Vishwas Agale

Mr. Sanjay Sawant (Officiating)

## Statutory Auditors

M/s. Yardi Prabhu & Associates, LLP, Mumbai

M/s. G.D.Apte & Co. Chartered Accountants, Pune

M/s. Kirtane & Pandit LLP, Pune

## Internal Auditors

M/s. P.G.Bhagwat, Pune



## वार्षिक सर्वसाधारण सभेची नोटीस

(फक्त सभासदांकरिता)

दि कॉस्मॉस को-ऑप.बँक लि. च्या सभासदांची ११२ वी वार्षिक सर्वसाधारण सभा रविवार दि.२ सप्टेंबर २०१८ रोजी सकाळी ठीक ९.०० वाजता शिवशंकर सभागृह, स.नं.६९८/१, महर्षिनगर, पायगुडे बाग, पुणे ४११ ०३७ येथे होणार आहे. त्यावेळी पुढील कामकाज होईल. तरी सदर सभेस आपण अवश्य उपस्थित राहावे अशी विनंती आहे.

१. दि.२४ सप्टेंबर २०१७ रोजी झालेल्या १११ व्या वार्षिक सर्वसाधारण सभेचा वृत्तान्त कायम करणे.
  २. अ) पुढील प्रस्तावांचा विचार करणे व त्यास मान्यता देणे.
    १. सन २०१७-२०१८ या आर्थिक वर्षाचा वार्षिक वृत्तान्त.
    २. दि.३१ मार्च २०१८ रोजी संपलेल्या वर्षाचे नफातोटा पत्रक.
    ३. दि.३१ मार्च २०१८ अखेर संपलेल्या वर्षाचा ताळेबंद.
 ब) सन २०१७-२०१८ या वर्षातील गंगाजळी व इतर निर्धीच्या प्रत्यक्ष वापरासंबंधी माहिती घेणे.
  ३. सन २०१७-२०१८ च्या वैधानिक लेखापरीक्षण अहवालावर विचार करणे व त्याच्या पूर्तता अहवालाची माहिती घेणे.
  ४. सन २०१८-२०१९ या आर्थिक वर्षासाठी वैधानिक लेखापरीक्षकांची नियुक्ती करणे.
  ५. बँकेचे संचालक व त्यांचे नातेवाईक यांचेकडे सन २०१७-२०१८ या आर्थिक वर्षात येणेबाकी असलेल्या कर्जाची माहिती घेणे. (मल्टिस्टेट को-ऑप.सोसायटीज ॲक्ट २००२ कलम ३९(३) अनुसार)
  ६. ११२ व्या वार्षिक सर्वसाधारण सभेस उपस्थित राहू न शकलेल्या सभासदांची अनुपस्थिती मान्य करणे.
  ७. मा.अध्यक्ष यांच्या संमतीने आयत्यावेळी येणा-या विषयांचा विचार करणे.
- दि. १० ऑगस्ट २०१८ मा.संचालक मंडळाच्या आज्ञेवरून  
पुणे सुहास गोखले  
व्यवस्थापकीय संचालक

### सूचना

१. वरील सभेस सकाळी ठीक ९.०० वाजता प्रारंभ होईल. त्यासाठी आवश्यक ती गणसंख्या पूर्ण झाली नसेल तर ही सभा स्थगित केली जाईल. अशा स्थगित सभेचे कामकाज त्याच दिवशी, त्याच ठिकाणी सकाळी ९.३० वाजता सुरु होईल व या स्थगित सभेस गणसंख्या पूर्तीची आवश्यकता राहणार नाही. या सभेत वरील नोटिशीमध्ये नमूद केलेल्या विषयांचा विचार करण्यात येईल.
२. दि.२ सप्टेंबर २०१८ रोजी होणा-या वार्षिक सर्वसाधारण सभेपुढील विषयांसंबंधीची कागदपत्रे बँकेच्या कॉस्मॉस टॉवर या मुख्य कार्यालयात दि.३० ऑगस्ट २०१८ पर्यंत कामकाजाच्या दिवशी सकाळी ११.०० ते दुपारी ४.०० या वेळेत पाहावयास मिळतील.
३. वार्षिक सर्वसाधारण सभेपुढील विषयांबाबत सभासदांना काही प्रश्न विचारावयाचे असल्यास ते लेखी स्वरूपात बँकेच्या मुख्य कार्यालयात दि.३० ऑगस्ट २०१८ पर्यंत कामकाजाच्या दिवशी सकाळी ११.०० ते दुपारी ४.०० या वेळेत आणून द्यावेत, ही विनंती.
४. बँकेचा संपूर्ण अहवाल बँकेच्या संकेत स्थळावर (www.cosmosbank.com) उपलब्ध असून सभासदांसाठी अहवालांच्या प्रती बँकेच्या शाखांकडेही उपलब्ध करून देण्यात आलेल्या आहेत. सभेपूर्वी जे सभासद संपूर्ण अहवाल मिळण्याची लेखी मागणी करतील त्यांना बँकेचा संपूर्ण अहवाल बँकेकडे नोंदविलेल्या त्यांच्या पत्त्यावर पोस्टाने पाठविण्यात येईल.
५. सभेस येताना सभासद ओळखपत्र कृपया जरूर बरोबर आणावे.

## NOTICE FOR ANNUAL GENERAL MEETING (FOR MEMBERS ONLY)

The 112<sup>th</sup> Annual General Meeting of the members of THE COSMOS CO-OPERATIVE BANK LTD. will be held on **Sunday, 2<sup>nd</sup> September 2018, 9.00 am at Shivshankar Sabhagruha, S. No. 698/1, Maharshinagar, Paigude Baug, Pune - 411037** for the transaction of the following business. Your presence therefore is highly solicited.

### AGENDA

1. To confirm the minutes of the 111<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September 2017
2. A) To consider and adopt
  - i) Annual Report for the year 2017 - 2018.
  - ii) Profit and Loss Account for the year ended on 31<sup>st</sup> March 2018.
  - iii) Balance Sheet as on 31<sup>st</sup> March 2018.
 B) To review actual utilization of Reserves and other Funds during the year 2017 - 2018.
3. To consider the Report of Statutory Auditors and compliance thereof for the year 2017-2018.
4. To appoint Statutory Auditors for the year 2018-2019.
5. To take note of the loans and advances outstanding from the Directors and their relatives during the year 2017-2018 (vide section 39(3) of the Multi-State Co-operative Societies Act, 2002).
6. To sanction leave of absence of members who are not able to attend the 112th Annual General Meeting.
7. Any other matter, with the permission of the Chair.

Date: 10<sup>th</sup> August, 2018  
Pune

By order of the Board of Directors,  
Suhas Gokhale  
Managing Director

### Notes

1. The meeting shall commence at 9.00 am sharp. If the required quorum of members is not present at the commencement of the meeting, it shall be adjourned. The adjourned meeting will resume business on the same day, at the same place, at 9.30 am, irrespective of the quorum, in which, only the business mentioned in the Notice of the meeting shall be transacted.
2. All documents and information relating to the business to be transacted before this Annual General Meeting to be held on 2nd September 2018 will be available at Cosmos Tower - Bank's Head Office, up to 30<sup>th</sup> August, 2018 on working days, between 11.00 am and 4.00 pm.
3. Members are requested to submit their queries, if any, regarding the subjects to be considered at this Annual General Meeting, in writing at the Bank's Head Office upto 30<sup>th</sup> August, 2018 on working days, between 11.00 am and 4.00 pm.
4. The Annual Report is available on Bank's website www.cosmosbank.com while the hard copies of Annual Report will be available at all branches for the members. Members who require hard copy of the Annual Report should submit a written request before the meeting. The same shall be sent to them by post on their address registered with the Bank.
5. Members are requested to bring the Membership Identity Card for the meeting.

## मान्यवर सभासद,

आपल्या बँकेचा आर्थिक वर्ष २०१७-१८ चा ११२ वा वार्षिक अहवाल संचालक मंडळाचे वतीने आपणापुढे सादर करीत आहे.

## जागतिक अर्थव्यवस्था-

सन २०१७ -मध्ये जागतिक अर्थव्यवस्थेमध्ये ३.५१% वाढ झाली असून सन २०१८- मध्ये ही वाढ ३.८०% पर्यंत होईल असे अपेक्षित आहे. सन २०१७ या वर्षात अमेरिकन अर्थव्यवस्थेमध्ये लक्षणीय वाढ झाली असून गतवर्षीप्रमाणेच जागतिक अर्थव्यवस्थेवर अमेरिकन अर्थव्यवस्थेचे प्रभुत्व / वर्चस्व दिसून आले. अमेरिकन जीडीपीमध्ये सन २०१६- मधील १.८६% वाढीच्या तुलनेत सन २०१७- मध्ये २.५०% वाढ झालेली दिसून आली. तेथील सन २०१६ मधील बेरोजगारीचा असलेला ४.८७% दर सन २०१७ मध्ये ४.३५% पर्यंत घटला आहे. अमेरिकेच्या फेडरल रिझर्व्ह बँकेने आर्थिक काटकसरीचे धोरण यावर्षीही कायम ठेवले असून व्याजदरात तीन वेळा वाढ केली. आर्थिक वर्ष २०१७-१८ मध्ये अन्य प्रमुख चलनांच्या तुलनेत अमेरिकन डॉलरचे मूल्य काहीसे कमी झाले. परिणामी अनेक उपयुक्त वस्तुंच्या किमतीत वाढ झाली. यामुळे आणि Organisation of Petroleum Exporting Countries (OPEC) शी संलग्न राष्ट्रांच्या पेट्रोलचे कमी उत्पादन चालू ठेवण्याच्या सन २०१७ व सन २०१८ मधील धोरणामुळे कच्चा तेलाच्या आंतरराष्ट्रीय किमती वाढल्या.

## भारतीय अर्थव्यवस्था-

देशभरात वस्तू व सेवा कर (जीएसटी) लागू केल्यानंतर आलेल्या सुरुवातीच्या अडचणी व निश्चलनीकरणाचे रेंगाळलेले परिणाम यामुळे गतवर्षीच्या ७.१०% वाढीच्या प्रमाणात सन २०१७-१८ मध्ये भारतीय अर्थव्यवस्थेमध्ये ६.७०% इतक्या कमी गतीने वाढ झाली. या आर्थिक वर्षात वित्तीय तूट जी सुरुवातीला ३.२०% व सुधारित अंदाजानुसार ३.५% अपेक्षित होती ती वर्षअखेर ३.५२% वर स्थिरावली.

सन २०१६-१७ मध्ये ४.६३% असलेला Index of Industrial Production (IIP) सन २०१७-१८ मध्ये ४.३६% पर्यंत घसरला. सन २०१६-१७ मध्ये \$१०८.९१ बिलियन असलेली भारताच्या आंतरराष्ट्रीय व्यापारातील तूट सन २०१७-१८ मध्ये \$१५६.८२ बिलियन पर्यंत वाढली. मंदगतीने वाढणारी निर्यात व कच्च्या तेलाच्या आंतरराष्ट्रीय किमतीतील वाढ याचा परिणाम या वाढलेल्या तुटीवर दिसून आला. अहवाल वर्षात खाद्य पदार्थांच्या किमती कमी झाल्यामुळे महागाईचा दर गतवर्षीच्या ४.५४% वरून ३.५८% इतका कमी झाला.

मोदी सरकारने गेल्या ३ वर्षांमध्ये केलेल्या आर्थिक सुधारणांनी प्रभावित होऊन नोव्हेंबर २०१७ मध्ये Moody Investor Service या आंतरराष्ट्रीय मानांकन संस्थेने भारताचे सार्वभौम मानांकनात

(sovereign rating) वाढ करत भारतीय अर्थव्यवस्थेबद्दल आपल्या अंदाजामध्ये 'आशादायी' वरून 'स्थिर' अशी सुधारणा केली. मागील १४ वर्षात सदर मानांकन संस्थेने भारताबद्दल केलेली ही पहिलीच वाढ होती.

फेब्रुवारी २०१८ मध्ये मा.केंद्रीय अर्थमंत्र्यांनी सन २०१८-१९ साठीचा केंद्रीय अर्थसंकल्प सादर केला असून यामध्ये कृषी व्यवसायाचे सबलीकरण, ग्रामीण विकास, आरोग्य, लहान व मध्यम व्यवसाय तसेच इन्फ्रास्ट्रक्चर या क्षेत्रांवर विशेष भर देण्यात आला आहे. तसेच सन २०१८-१९ या वर्षात वित्तीय तुटीचे प्रमाण ३.५% वरून ३.३% इतके कमी करण्याचे उद्दिष्ट ठेवले आहे.

## भारतीय बँकिंग क्षेत्र :-

सन २०१७-१८ मध्येही भारतीय बँकिंग क्षेत्रास सतत वाढत जाणाऱ्या अनुत्पादित व बुडित कर्जाच्या समस्येने ग्रासले होते. निश्चलनीकरण व जीएसटी अशा लागोपाठ लागू करण्यात आलेल्या आर्थिक सुधारणा तसेच मोठमोठे आर्थिक घोटाळे यामुळे बँकिंग क्षेत्राची कामगिरी यावर्षात काहीशी क्षीण झाल्याचे दिसून आले.

सन २०१६-१७ मध्ये ९.६०% असलेले संपूर्ण बँकिंग क्षेत्रातील ढोबळ अनुत्पादित कर्जाचे प्रमाण सन २०१७-१८ मध्ये ११.६०% पर्यंत वाढले. दि.३१ मार्च २०१८ अखेर सरकारी बँकांच्या ढोबळ अनुत्पादित कर्जाचे प्रमाण १५.६०% झाले असून खाजगी क्षेत्रातील बँकांच्या ढोबळ अनुत्पादित कर्जाचे प्रमाण ४% पर्यंत पोहोचले.

सरकारी बँकांच्या खालावलेल्या आर्थिक परिस्थितीमुळे अहवाल वर्षात रिझर्व्ह बँकेने या क्षेत्रातील एकूण ११ बँकांना Prompt Corrective Action (PCA) लागू केली आहे.

अडचणीतील सरकारी बँकांना वाचविण्यासाठी केंद्र सरकारला या बँकांना मोठ्याप्रमाणात भांडवली पुरवठा करावा लागला. सदर बँकांना २ वर्षासाठी केंद्र सरकारने अभूतपूर्व ₹२.११ लाख कोटी रकमेचा भांडवली पुरवठा करण्याचे जाहीर केले आहे.

सन २०१७-१८ मध्ये बँकांमधील ठेवींमध्ये मंदगतीने वाढ झाली असून कर्जामध्ये मात्र त्या तुलनेत अधिक वाढ झाल्याचे दिसून आले. सन २०१६-१७ मध्ये बँकांच्या कर्जामध्ये ४.७१% वाढ झाली होती ती सन २०१७-१८ मध्ये १०.६५% पर्यंत पोहोचली तर सन २०१६-१७ मध्ये १६.४०% असलेली ठेवींमधील वाढ सन २०१७-१८ मध्ये ४.१०% एवढीच झालेली दिसते.

## आपल्या बँकेची सद्यस्थिती-

मार्च २०१८ अखेर बँकेस झालेल्या ऑपरेटिंग नफ्यातून सर्व तरतुदी वजा जाता, नफा विभागणीसाठी अगदी नगण्य निव्वळ नफा उपलब्ध असल्याचे दिसून येत आहे. तसेच गतवर्षासाठीही रिझर्व्ह बँकेने

अनपेक्षितरित्या अत्यल्प प्रमाणात लाभांश वितरणास मान्यता दिली. या दोन्हीची प्रमुख कारणे म्हणजे बँकेतील नॉन परफॉर्मिंग कर्जे व त्यापोटी ऑपरेटिंग नफ्यातून कराव्या लागलेल्या तरतुदी आणि याबरोबरच अहवाल वर्षामध्ये ट्रेझरी व्यवसायातून मिळालेला नगण्य नफा व उलटपक्षी सिक्युरिटीजपोटी ₹७२.४२ कोटी लागू झालेला घसारा ही आहेत.

भांडवल बाजारामध्ये मोठ्याप्रमाणावर झालेल्या अनपेक्षित घडामोडींमुळे अशाप्रकारचा घसारा सर्वच बँकांना सहन करावा लागला आहे. ट्रेझरी व्यवसायातील या आकस्मिक तोट्याच्या संपूर्ण रकमेची तरतूद बँकेस मार्च २०१८ अखेरीस करावी लागली. तसेच यासाठी गुंतवणूक चढउतार निधीमधून रक्कम घेण्यासही रिझर्व्ह बँकेने मान्यता दिली नाही. अशाप्रकारे एकीकडे बुडित कर्जापोटी कराव्या लागलेल्या तरतुदी व दुसरीकडे ट्रेझरी व्यवसायातून मिळालेला अत्यल्प नफा व करावी लागलेली घसाराची तरतूद याचा विपरीत परिणाम बँकेच्या निव्वळ नफ्यावर झालेला दिसून येत आहे.

### बँकेचा कृती आराखडा -

अशा अवघड परिस्थितीतही बँकेने डगमगून न जाता बँकेच्या पुनरुज्जीवनासाठी युद्धपातळीवर प्रयत्न सुरू केले आहेत. नफ्यावर विपरीत परिणाम करणाऱ्या ट्रेझरी व्यवसाय व थकीत कर्जे या दोन बाबींपैकी ट्रेझरी व्यवसाय हा पूर्णपणे मार्केटवर अवलंबून असल्यामुळे यावर बँकेचे प्रत्यक्ष नियंत्रण नाही. परंतु थकीत कर्जे व त्यांची वसुली यात मात्र बँक सुधारणा करू शकते. यासाठी बँकेने विशेष प्रयत्न सुरू केले आहेत. या अंतर्गत वसुली विभाग आता थेट व्यवस्थापकीय संचालक यांचे अखत्यारित कार्यरत असून या विभागामध्ये एकूण ४ जनरल मॅनेजर दर्जाचे अधिकारी कार्यरत करण्यात आले आहेत. तसेच त्यांना पुरेसा सक्षम सेवक व अधिकारी वर्ग उपलब्ध करून देण्यात आलेला आहे.

कार्यालयीन स्तरावर व संचालक मंडळ सदस्यांबरोबर ठराविक कालावधीनंतर सभा घेऊन त्यात वसुलीचा व त्यासाठीच्या प्रयत्नांचा आढावा घेण्यात येतो. तसेच बँकेच्या Top ३० अनुत्पादित कर्जखात्यांचा दरमहा आढावा घेऊन त्यामधील थकीत रकमेच्या वसुलीसाठी कार्यालयास आवश्यक मार्गदर्शन करण्यात येते. थकीत कर्जांच्या वसुलीसाठी तारण मिळकती ताब्यात घेणे, त्यांचा लिलाव आयोजित करणे व त्या माध्यमातून सदरच्या मिळकतींची विक्री करून कर्जखाती रक्कम जमा करून घेण्यात येत आहे. नफ्यावर थेट सकारात्मक परिणाम होत असल्याने तांत्रिकदृष्ट्या (Notional) राईट ऑफ करण्यात आलेल्या कर्जखात्यातील वसुलीसाठीही स्वतंत्र विभागामार्फत विशेष प्रयत्न करण्यात येत आहेत. यासाठी विभागनिहाय ओटीएस मेळावे आयोजित करण्यात येत असून कर्जदारांशी योग्य ती तडजोड करून थकीत राईट ऑफ कर्ज खात्यांमध्ये वसुली करण्यात येत आहेत.

थकीत कर्जदारांबरोबर वरिष्ठ अधिकाऱ्यांच्या विभागनिहाय सभा आयोजित करण्यात येऊन त्यांच्या समस्या समजून घेऊन त्याबाबतच्या उपाययोजनांबाबत चर्चा व विचार विनीमय करण्यात येत आहे. त्यानंतर योग्य प्रकरणात पुनर्गठन तसेच सेटलमेंट, तारण मिळकती विकून वसुली इ. मार्गाने वसुली करण्यात येत आहे.

या सर्व प्रयत्नांचे फलस्वरूप जुलै २०१८ अखेर एकूण ₹८०.११ कोटी वसुली करण्यात आलेली आहे. यापैकी ₹१७.९३ कोटीची वसुली ही राईट ऑफ केलेल्या खात्यांमधील आहे. थकबाकी वसुलीबरोबरच ₹१० कोटी व त्यापेक्षा अधिक रकमेच्या कर्जखात्यांच्या नियंत्रणासाठी तसेच पुनर्गठन (Restructure) केलेल्या कर्जखात्यांच्या नियंत्रणासाठी बँकेमध्ये क्रेडिट सुपरव्हिजन सेल कार्यरत आहे.

सदर सेल चीफ जनरल मॅनेजर यांच्या अधिपत्याखाली काम करतो. एकूण ₹२५२.६० कोटीची पुनर्गठन केलेली ही सर्व कर्जे नियमितपणे नियंत्रणाखाली ठेवून मार्च २०१९ अखेर परफॉर्मिंग होतील यासाठी सर्वप्रकारे प्रयत्न करण्यात येत आहेत. अशाप्रकारच्या कर्जखात्यांमध्ये काहीही अनियमितता निदर्शनास आल्यास ताबडतोब संबंधित विभागीय कार्यालयास पुढील कार्यवाहीसाठी कळविण्यात येते. या व्यतिरिक्त मोठ्या रकमेची कर्जे नव्याने अनुत्पादित होणार नाहीत याकडेही विशेष लक्ष देण्यात येत आहे.

या बरोबरच कर्ज व्यवसायवाढीसाठी तसेच सध्याचे चांगल्या नामांकनाचे कर्जदार बँकेमध्ये टिकवून ठेवण्याचे (Retain) प्रयत्न करण्यात येत आहेत. अन्य बँकांकडील कर्जप्रकरणे योग्य ती काळजी घेऊन टेकओव्हर करताना अशा नवीन कर्जदारांना Welcome ROI लागू करण्यात येत आहे. तसेच ग्रीन फिल्ड प्रोजेक्ट, लिज रेंटल डिस्कोंटिंग, ₹१० कोटीपेक्षा जास्त कर्जमर्यादा मंजूर असलेले ग्रुप कर्जदार तसेच अग्रक्रम क्षेत्र व दुर्बल घटक यांच्या कर्जप्रकरणांसाठी बाजारपेठेतील तीव्र स्पर्धा विचारात घेता, व्याजदरांमध्ये सवलत देण्यात येत आहे. व्हॅडॉर फायनान्स, कमर्शियल वाहन, Cosmo Salary Earner अशा काही कर्जयोजनांमध्ये निकष, अधिकतम रक्कम इ.बाबींच्या अनुषंगाने बदल करण्यात आले आहेत.

इतर खाजगी क्षेत्रातील बँकांनी चांगल्या कर्जदारांना सवलतीच्या दरात कर्जमर्यादा मंजूर करण्याची तीव्र स्पर्धा सुरू केल्याने, कर्जदारांना लागू करण्यात आलेल्या व्याजदरांमध्ये सवलत मिळण्याची अनेक कर्जदार मागणी करीत आहेत. यासाठी कर्जदारांच्या क्रेडिट रेटिंगसाठी काही जादा विशेष निकष लागू करण्यात येत असून त्यानुसार अशा कर्जदारांना काहीप्रमाणात व्याजदरामध्ये सवलत देण्यात येत आहे.

मोठ्या रकमेपेक्षा रिटेल कर्जांमध्ये जोखीम कमी असल्याने अशी कर्जे वाढविण्यावर भर देण्यात येत आहे. आवश्यकतेनुसार रिटेल कर्जांच्या विविध कर्जयोजनांमध्ये बदल करण्यात येत आहेत.

या सर्व प्रयत्नांमुळे गतवर्षीच्या तुलनेत अहवाल वर्षामध्ये अनेक प्रकारच्या रिटेल कर्जांमध्ये पुढीलप्रमाणे वाढ झालेली दिसून येत आहे.

कर्जप्रकार	सन २०१६-१७		सन २०१७-१८		वाढ	
	खात्यांची संख्या	मंजूर रक्कम ₹ कोटीत	खात्यांची संख्या	मंजूर रक्कम ₹ कोटीत	खात्यांची संख्या	मंजूर रक्कम ₹ कोटीत
बिझनेस प्रॉपर्टी मॉर्गेज	१३८	९७.८१	३०६	२४२.०९	१६८	१४४.२८
कॅशक्रेडिट (एलसी, बीजी, बिल्स डिस्कोंटिंग सह)	३३०	५३४.०८	४९५	७३९.२१	१६५	२०५.१३
कॉस्मोक्रेडिट	१२५२	१८.३६	२४४२	३७.६९	११९०	१९.३३
शैक्षणिक कर्जे	२९	२.८१	६८	६.८१	३९	४.००
गृहकर्जे	५४०	११५.६४	७५२	१६५.७०	२१२	५०.०६
प्रोफेशनल कर्जे	२८	०.७२	६४	२.०४	३६	१.३२
प्रॉपर्टी मॉर्गेज टर्मलोन	१७९	४३.३९	५७६	१४६.८८	३९७	१०३.४८
Joint Liability Groups व बचत गटांची कर्जे	२८	०.५३	५१	०.८७	२३	०.३३
वाहन कर्जे	१०६८	५०.८६	२००४	१५५.७३	९३६	१०४.८७

या बरोबरच CASA ठेवींच्या वाढीसाठीही प्रयत्न करण्यात येत आहेत. परिणामस्वरूप, मार्च २०१७ च्या तुलनेत बँकेतील CASA ठेवीमध्ये अहवाल वर्षात ₹१६८ कोटीने वाढ झाली असून CASA ठेवींचे एकूण ठेवींशी असलेले प्रमाण २४.१५% झालेले आहे.

कर्जदारांची कमी व्याजदराची अपेक्षा व या उलट ठेवीदारांना असलेली अधिक व्याजाची अपेक्षा या दोन्हीचा समतोल साधणे दिवसेंदिवस कठीण होत आहे. व्याजदरातील अगदी अल्प फरकासाठीही बँकांतर्गत जीवघेणी स्पर्धा सुरु झाली आहे. या दोन्ही बाबींचा एकत्रित व अंतीम परिणाम बँकेचे उत्पन्न कमी होऊन खर्च वाढण्यावर व परिणामी नफ्यावर होत आहे. तरीही कर्जदार व ठेवीदार या दोन्ही घटकांना समाधान देण्याचा प्रयत्न करण्यात येत आहे.

या सर्व पार्श्वभूमीवर, मार्च २०१८ अखेर बँकेचे स्वनिधी ₹१,९८४.०९ कोटी तर भांडवल पर्याप्तता १३.९५% आहे.

आपली बँक भारतीय अर्थव्यवस्थेचा एक छोटा भाग आहे. त्यामुळे देशाच्या अर्थव्यवस्थेमध्ये होणाऱ्या बदलांचा पडसाद आपल्या बँकेवर होणे टाळता येण्यासारखे नव्हते. अशा अनेक बाबींचे प्रतिबिंब आपल्या बँकेच्या अर्थव्यवस्थेवर पडलेले दिसते. सध्याचा काळ

बँकेसाठी निश्चितच बिकट व खडतर असा आहे. पण अशावेळी आपण सभासदांनी हताश व निराश न होता बँकेबरोबर रहावे असे आवाहन आहे. अशा आव्हानात्मक परिस्थितीमध्ये सभासदांचा खंबीर पाठींबा, सक्षम नेतृत्व, समर्पित वृत्तीने काम करणारे बँकेचे सेवक व अधिकारी, सेवक संघटनेचे सहकार्य यामुळे बँकेपुढील सर्व आव्हानांवर आपण यशस्वीरित्या मात करू व मार्च २०१९ अखेर बँकेच्या आर्थिक परिस्थितीचे चित्र निश्चितपणे पालटलेले व अधिक सकारात्मक झालेले दिसून येईल असा पूर्ण विश्वास आहे.

## संचालक मंडळ

सन २०१७-१८ या आर्थिक वर्षात श्री.मिलींद काळे यांनी अध्यक्ष म्हणून तसेच कै. मधुकर अत्रे (दि.१८ जुलै २०१७ पर्यंत) व श्री.गोविंद क्षीरसागर (दि.२४ ऑगस्ट २०१७ पासून) यांनी उपाध्यक्ष म्हणून कामकाज पाहिले.

बँकेचे संचालक श्री.सुनील सबनीस यांनी बँकेच्या संचालक पदाचा दिलेला राजीनामा स्वीकारण्यात येऊन दि.२७ मार्च २०१८ पासून त्यांना बँकेच्या संचालक पदावरून मुक्त करण्यात आले आहे. श्री.सुनील सबनीस सन १९९९ पासून बँकेच्या संचालक पदी कार्यरत होते.

## बँकेची सांपत्तिक परिस्थिती व आर्थिक निष्कर्ष

बँकेची संपलेल्या आर्थिक वर्षाची परिस्थिती पुढीलप्रमाणे आहे.

(₹ कोटीत)

तपशील	२०१६-१७	२०१७-१८
भागभांडवल	३८२.९६	३७१.६४
एकूण निधी	१,४५०.४१	१,६१२.४५
स्वनिधी	१,८३३.३७	१,९८४.०९
नक्त अनुत्पादित कर्जे (Net NPA)	५.९६%	७.२४%
ढोबळ अनुत्पादित कर्जे (Gross NPA)	७.७३%	९.४५%
<b>एकूण उत्पन्न</b>	<b>२,१८५.१६</b>	<b>१,९४९.३६</b>
अ) मिळालेले व्याज	१,५९६.८०	१,४६१.६८
ब) इतर उत्पन्न	३१७.५३	२०४.५४
क) इतर जमा	२७०.८२	२८३.१४
<b>एकूण खर्च</b>	<b>२,११३.४४</b>	<b>१,९४२.६७</b>
अ) दिलेले व्याज	१,२४८.०४	१,०९९.५६
ब) सेवकांवरील खर्च	१६७.३९	१५७.९९
क) इतर खर्च	१७८.९०	१८४.९५
ड) तरतुदी	५९९.१०	५००.१७
<b>निव्वळ नफा</b>	<b>७१.७३</b>	<b>६.६९</b>



## ठेवी

मार्च २०१७ मध्ये आपल्या बँकेच्या एकूण ठेवी ₹१५,६४९ कोटी होत्या. आर्थिक वर्ष २०१७-१८ अखेर बँकेच्या एकूण ठेवी ₹१४,९३२ कोटी आहेत. या आर्थिक वर्षात बँकेने जास्त व्याजदराच्या bulk ठेवी स्वीकारण्याऐवजी CASA ठेव वाढीवर भर देण्याचे धोरण ठेवले होते. त्यामुळे CASA ठेवींमध्ये गतवर्षाच्या तुलनेत ₹१६८ कोटी रकमेची वाढ झाली असून एकूण ठेवींपैकी CASA ठेवींचे प्रमाण २४.१५% आहे.

आर्थिक वर्ष २०१७-१८ मध्ये बँकेने ग्राहकांसाठी पुढील नवीन योजना सुरु केल्या आहेत.

- शुभारंभ चालू खाते योजना - ऑगस्ट २०१७ मध्ये सदर योजना सुरु करण्यात आली. सदर योजनेमध्ये चालू खाते शून्य रकमेने सुरु करण्याची सुविधा देण्यात आलेली आहे. खातेदारांना

अत्याधुनिक सेवा-सुविधा देण्याच्यादृष्टीने बँकेने POS मशीनची सुविधा देणाऱ्या त्रयस्थ कंपन्यांबरोबर करार केलेला असून 'शुभारंभ चालू खाते' उघडणाऱ्या खातेदारांना POS मशीन अंतर्गत काही सुविधांमध्ये आकर्षक सूट देण्यात आली आहे. या अंतर्गत सुमारे १,३०० खातेदारांनी या सुविधेचा लाभ घेतलेला आहे.

शासनाने दि.१ मे २०१७ पासून Real Estate Development & Regulation Act (RERA) संपूर्ण भारतात लागू केला आहे. सदर कायद्यातील तरतूदीनुसार बँकेमध्ये उघडण्यात आलेल्या चालू खात्यात जमा असणाऱ्या डिपॉझिट रकमेवर Flexi Fixed Deposit ची सुविधा बँकेने उपलब्ध करून दिली आहे. त्यामुळे RERA Escrow चालू खाते उघडणाऱ्या खातेदारांनी सदरची सुविधा घेतल्यास खात्यामधील शिल्लक रकमेवर बचत खात्याच्या व्याजदराने व्याज मिळेल.





## कर्ज

अहवाल वर्षामध्ये बँकेची कर्जे ₹११,४६१ कोटीवरून ₹१०,७७१ कोटी झाली आहेत. या आर्थिक वर्षात बँकेने CBLO Lending न करण्याचा धोरणात्मक निर्णय घेतला होता. त्यामुळे मागील अहवाल वर्षातील CBLO Lending वगळल्यास चालू अहवाल वर्षात बँकेच्या कर्जामध्ये ₹५०५ कोटीची वाढ झाली आहे. अहवाल वर्षात ₹२०९.७५ कोटी रकमेची १००% तरतूद केलेली कर्जे राईट ऑफ करण्यात आली आहेत. याचा विचार करता कर्जातील प्रत्यक्ष वाढ ही ६.९६% आहे.

दि.३१ मार्च २०१८ अखेर CD Ratio ७२.१३% आहे. तसेच बँकेच्या कर्जाचे स्वनिधी अधिक ठेवी यांचेशी असलेले प्रमाण दि.३१ मार्च २०१८ अखेर ६६.५२% असून सदरचे प्रमाण रिझर्व्ह बँकेच्या याबाबतच्या मार्गदर्शक तत्वांनुसार आहे.

रिझर्व्ह बँकेच्या मार्गदर्शक सुचनांनुसार, दि.३१ मार्च २०१७ च्या लेखापरिक्षित आर्थिक पत्रकांवर आधारित एका कर्जदारासाठी (व्यक्ती अथवा कंपनी) अधिकतम कर्जमर्यादा ₹१९० कोटी असून समूह कर्जदारांसाठी अधिकतम कर्जमर्यादा ₹५१० कोटी येत आहे. यामुळे नामांकित कंपन्या व कॉर्पोरेट ग्राहक यांच्या पतपुरवठ्याच्या मागण्या पूर्ण करणे बँकेस शक्य होणार आहे. तथापि, बाजारामधील विविध जोखमी विचारात घेता, बँकेच्या संचालक मंडळाने याबाबत धोरणात्मक निर्णय घेऊन नवीन दाखल होणाऱ्या एका कर्जदारासाठी (व्यक्ती अथवा कंपनी) अधिकतम कर्जमर्यादा ₹५० कोटीपर्यंत विशेष नियंत्रित केली आहे. परंतु एखाद्या ग्राहकाकडून या मर्यादेपेक्षा अधिक रकमेचा कर्जप्रस्ताव दाखल झाल्यास, या ग्राहकाच्या आर्थिक पत्रकांचा विचार करून अन्य बँकांबरोबर कन्सॉर्शियमच्या पर्यायाचा विचार करण्यात येतो.

भारतीय अर्थव्यवस्थेमधील घडामोडींमुळे बहुतेक व्यवसायांमध्ये अपेक्षित गुंतवणूक झाली नसल्याचे निदर्शनास आले आहे. बँकिंग क्षेत्रातील वाढलेल्या अनुत्पादित कर्जाचा विचार करता, कोणत्याही मोठ्या प्रकल्पास पतपुरवठा न करण्याकडे बँकांचा कल दिसून आला. तसेच बँकांनी नवीन कर्जदारांना अत्यंत सावधगिरीने पतपुरवठा करण्याचे धोरण स्वीकारले होते. यामुळे अहवालवर्षात बँकांची एकूण कर्जवाढ कमी प्रमाणात झाल्याची दिसून येते. याला आपली बँक देखील अपवाद नव्हती.

आर्थिक वर्ष २०१७-१८ मध्ये, बँकिंग क्षेत्रामध्ये कर्जावरील व्याजदराची स्पर्धा असल्याने सदर परिस्थितीवर मात करण्यासाठी सध्याच्या कर्जयोजनांमध्ये आकर्षक बदल करण्याचे आणि ग्राहकांच्या गरजांचा विचार करून नवीन योजना तयार करण्याचे धोरण बँकेने स्वीकारले आहे. तसेच व्याजदरातील फरकामुळे बँकेचे कर्जदार अन्य बँकांकडे जाऊ नयेत म्हणून कर्जदारांच्या क्रेडिट रेटिंगसाठी काही नवीन निकष लागू करण्यात आले आहेत. त्यानुसार अशा कर्जदारांना सुधारित व्याजदर देण्यात आले आहेत.

सध्या बँकेमार्फत गृहकर्ज, एसएमई, तारणी, चारचाकी वाहन, शैक्षणिक, कॉस्मो क्रेडिट इ. विविध प्रकारची कर्जे अत्यंत वाजवी व स्पर्धात्मक व्याजदरामध्ये उपलब्ध करून देण्यात येत आहेत. ही कर्जे अधिकाधिक ग्राहकाभिमुख होण्यासाठी या कर्जांच्या अटी शर्ती तसेच प्रोसेसिंग कालावधी यामध्ये सातत्याने सुधारणा करण्यात येत आहेत. अहवालवर्षात बँकेने रिटेल कर्जावर लक्ष केंद्रित केले होते; परिणामी गतवर्षाच्या तुलनेत नवीन कर्जवितरणामध्ये रिटेल पोर्टफोलिओ अंतर्गत दुप्पट कर्जवाढ (२००%) झाले आहे.

आर्थिक क्षेत्रास आता पुन्हा गती मिळण्यास सुरुवात झाली आहे व त्यामुळे बँकिंग क्षेत्रामध्ये समाधानकारक कर्जवाढ होण्याची अपेक्षा आहे. सदर बाबीचा विचार करून आपली बँक सध्याच्या कर्जयोजनांमध्ये तसेच कर्जावरील व्याजदरात गरजेनुसार आवश्यक ते बदल करित आहे. तसेच काही नवीन कर्ज योजना अंमलात आणल्या आहेत. या सगळ्याचा सकारात्मक परिणाम निश्चितच नजिकच्या भविष्यात दिसून येईल. एका कर्जदारासाठी (व्यक्ती अथवा कंपनी) व समूह कर्जदारांसाठी निश्चित केलेल्या अधिकतम कर्जमर्यादांचा विचार करता आपली बँक मोठ्या व नामांकित कंपन्या आणि कॉर्पोरेट ग्राहकांच्या मागणीनुसार कर्जपुरवठा करण्यास नक्कीच सक्षम आहे.

अहवालवर्षात बँकेने अग्रक्रम क्षेत्रास केलेला पतपुरवठा ₹२,६५२.३४ कोटी असून एकूण कर्जांशी त्याचे असलेले प्रमाण २३.१४% आहे, तर दुर्बल घटक कर्जांचे एकूण कर्जांशी असलेले प्रमाण ५.७३% आहे. अशाप्रकारच्या कर्जामध्ये वाढ होण्याचेदृष्टीने सातत्याने प्रयत्न करण्यात येत असून प्रामुख्याने छोट्या उद्योजकांसाठी कर्जे तसेच अग्रक्रम क्षेत्र व दुर्बल घटक क्षेत्र यांना अधिकाधिक पतपुरवठा करण्यात यावा यासाठी मार्केटींगच्या माध्यमातून शाखा स्तरावर प्रयत्न करण्यात येत आहेत.

देशाच्या ७ राज्यांमध्ये असलेला बँकेचा शाखाविस्तार विचारात घेता, त्या त्या राज्यातील परिस्थिती, तेथील प्रमुख उद्योग, ग्राहकांची मागणी इ.चा विचार करून बँकेच्या विविध कर्जयोजनांमध्ये राज्यनिहाय बदलही करण्यात येत आहेत.

## क्रेडिट सुपरव्हिजन सेल

या विभागाचे कामकाज मध्यवर्ती कार्यालय, विभागीय कार्यालय व उपविभागीय कार्यालय अशा ३ पातळ्यांवर चालते. मोठ्या रकमेच्या कर्जखात्यांचे कर्जवितरणाच्या पश्चात आवश्यक नियंत्रण (Monitoring), विशेष उल्लेखित कर्जखाती (Special Mention Accounts -SMA) व पुनर्गठित (Restructure) कर्जखात्यांचे नियंत्रण करण्याचे काम या विभागामार्फत करण्यात येते. या विभागाच्या प्रमुखपदी चीफ जनरल मॅनेजर दर्जाच्या अधिकारी असून सदरचा विभाग व्यवस्थापकीय संचालक यांचे नियंत्रण व मार्गदर्शनाखाली कार्यरत आहे. या प्रकारचा स्वतंत्र विभाग गुजरात विभागासाठी कार्यरत करण्यात आला आहे. तसेच असा स्वतंत्र विभाग मुंबईसाठीही सुरू करण्याची प्रक्रिया चालू आहे.

व्यावहारिक पातळीवर कर्जखात्यांमध्ये दिसणाऱ्या अडचणी, कॅशक्रेडिट खात्यामधील उलाढाल, व्याज व हप्त्यांची वेळेत परतफेड, नूतनीकरण व जादा उचल रकमेची वसुली अशा विविध बाबींच्या अनुषंगाने कर्जखात्यांची समीक्षा करून आवश्यकतेनुसार सुधारात्मक कार्यवाही करण्यासाठी संबंधित विभागीय कार्यालयांना या विभागामार्फत कळविण्यात येते. अशातऱ्हेने अनुत्पादित कर्जाचे प्रमाण नियंत्रित करण्यासाठी या विभागामार्फत प्रयत्न केले जातात.

कन्सॉर्शियम आणि मल्टिपल बँकिंग अंतर्गत कर्जमर्यादा मंजूर असलेल्या कर्जदारांचे बाबतीत आवश्यक त्या माहितीचे अन्य बँकांबरोबर या विभागामार्फत तिमाही अदान प्रदान करण्यात येते.

₹५०० लाखांपेक्षा अधिक खेळते भांडवल कर्जमर्यादा मंजूर असलेल्या कर्जदारांचे वार्षिक स्टॉक ऑडिट करून घेण्याचे कामही या विभागामार्फत करण्यात येते.

विशेष उल्लेखित (Special Mention Accounts-SMA) कर्जखात्यांचे मॉनिटरिंग जास्त लक्ष देऊन करण्यात येत आहे. रिझर्व्ह बँकेच्या मार्गदर्शक सुचनांनुसार SMA खात्यांच्या नियमांचे पालन करण्यात येत आहे. या वर्षीपासून बँकेने मोठ्या रकमेच्या कॅशक्रेडिट मर्यादांचे अधिक चांगल्या प्रकारे मॉनिटरिंग व्हावे याकरीता आणखी काही मुद्दे तपासणीसाठी अंगिकारले आहेत.

## थकबाकी व अनुत्पादित कर्ज

अहवाल वर्षात थकीत व्याजासह बँकेने अनुत्पादित कर्जामध्ये ₹१२६.३१ कोटी, राईट ऑफ केलेल्या कर्जामध्ये ₹२७.४५ कोटी अशी एकूण ₹१५३.७६ कोटी रकमेची वसुली केली आहे.

दि.३१ मार्च २०१८ अखेर थकबाकीचे प्रमाण ६.१५%, ढोबळ अनुत्पादित कर्जाचे प्रमाण ९.४५% व नक्त अनुत्पादित कर्जाचे प्रमाण ७.२४% झाले आहे.

बँकेने जास्तीत जास्त वसुलीचे आव्हानात्मक उद्दिष्ट स्वीकारून अनुत्पादित कर्जाचे प्रमाण कमी करण्याचे ठरविले आहे. प्रभावी वसुली होण्याकरीता सिक्युरिटीयझेशन कायदांतर्गत कारवाई करणे, तसेच जिल्हा दंडाधिकारी यांचेपुढे कलम १४ अंतर्गत मालमत्ता ताब्यात घेण्यासाठी अर्ज दाखल करून वसुलीसाठी कार्यवाही करणे, मल्टिस्टेट को-ऑप. सोसायटीज् अँक्ट अंतर्गत आर्बिट्रेटर यांचेपुढे दावे दाखल करणे, DRT कडे दावे दाखल करणे अशा विविध कायदेशीर मार्गांचा अवलंब करणे, एक रकमी रक्कम भरून घेऊन कर्ज खाते बंद करणे इ. विविध पर्याय वापरण्यात येत आहेत.

विलिनीकरण करून घेतलेल्या बँकांच्या थकीत कर्जाच्या वसुलीसाठी महाराष्ट्र सहकारी कायदा कलम १०१ अंतर्गत मिळालेल्या वसुली दाखल्यांची अंमलबजावणी कलम १५६ नुसार करूनही वसुलीसाठी प्रयत्न करण्यात येत आहेत.

सन २०१८-१९ मध्ये प्रभावी वसुली होण्यासाठी विभागाची अंतर्गत सेवक रचना बदलून या विभागामध्ये मुंबई व गुजरात विभागासाठी स्वतंत्र जनरल मॅनेजर तसेच पुणे रिजन, सदरन रिजन व सेंट्रल रिजनसाठी स्वतंत्र जनरल मॅनेजर, राईट ऑफ साठी स्वतंत्र जनरल मॅनेजर नियुक्त करण्यात आले आहेत. तसेच थकबाकीदारांविरुद्ध सुरु असलेल्या विविध दाव्यांमध्ये त्वरीत निर्णय मिळून त्यामध्ये समाविष्ट असलेली थकीत रक्कम वसूल करण्यासाठी या विभागांतर्गत सक्षम वकीलांची नेमणूक करण्यात आलेली आहे.

बँकेने थकबाकीदारांविरुद्ध विविध कायदांतर्गत केलेल्या कारवाईबाबत संक्षिप्त आकडेवारी पुढीलप्रमाणे-

(₹ लाखात)

दि.३१ मार्च २०१८ अखेर	संख्या	रक्कम
लवाद अधिकरण यांचेपुढे चालू असलेले दावे	८२	३५,४०१.८५
जिल्हा न्यायालयात चालू असलेल्या दरखास्त	८२०	८१,७०२.०७
<b>सिक्युरिटीयझेशन कायदांतर्गत केलेल्या कारवाईचा तपशील</b>		
१. १३ (२) कलमांतर्गत पाठविलेल्या मागणी नोटिसा	८२	१७,९७२.९४
२. बँकेने ताबा घेतलेल्या मालमत्ता	५९	३५,६५७.४३
३. ताबा घेण्याची प्रक्रिया सुरु	११६	२५,३५०.८९
४. ताबा घेतलेला असून विक्री प्रक्रिया सुरु	१०७	६१,२२६.३७

नव्याने होऊ शकणाऱ्या अनुत्पादित कर्जाचे प्रमाण रोखण्यासाठी क्रेडिट सुपरव्हिजन विभाग कार्यरत आहे. अनुत्पादित होऊ शकणाऱ्या कर्जाबाबत माहिती घेऊन त्यावर वेळीच उपाययोजना करण्यासाठी संबंधित कार्यालयांना या विभागामार्फत सूचित करण्यात येते.

वसुलीसाठी करण्यात येत असलेल्या सर्व प्रयत्नांचा एकत्रित सकारात्मक परिणाम होऊन सन २०१८-१९ मध्ये वसुलीसाठी निश्चित करण्यात आलेले उद्दिष्ट गाठता येईल.





### भांडवल पर्याप्तता (CRAR)

दि. ३१ मार्च २०१८ अखेर बँकेचे Tier I भांडवल ₹८९०.४६ कोटी व Tier II भांडवल ₹७८८.३४ कोटी आहे. रिझर्व्ह बँकेने ठरवून दिलेल्या निकषांनुसार, आपल्या बँकेची किमान भांडवल पर्याप्तता १२% असणे आवश्यक आहे. दि. ३१ मार्च २०१८ अखेर आपल्या बँकेची भांडवल पर्याप्तता समाधानकारक म्हणजे १३.९५% इतकी आहे.

### दीर्घमुदत ठेव योजना क्र. ६

रिझर्व्ह बँक व सेंट्रल रजिस्ट्रार, नवी दिल्ली यांनी दिलेल्या मान्यतेनुसार, बँकेने दि. १५ मार्च २०१८ रोजी दीर्घमुदत ठेव योजना क्र. ६ जाहीर केली होती. यासाठी ८.५०% या दराने ६६ महिने मुदतीकरीता ₹१४५ कोटींच्या ठेवी संकलित करण्यास मान्यता देण्यात आली होती. या योजनेस ग्राहकांचा उत्तम प्रतिसाद मिळाला असून याअंतर्गत ₹१४४.९७ कोटींच्या ठेवी केवळ ७ दिवसांत संकलित झाल्याने दि. २३ मार्च २०१८ रोजी सदरची योजना बंद करण्यात आली.



### गुंतवणूक व निधी व्यवस्थापन

रोख राखीव निधी (CRR) व वैधानिक तरलता निधी (SLR) आणि बँकेच्या गुंतवणुकीचे व्यवस्थापनाबरोबरच अत्यावश्यक अशा दैनंदिन तरलतेच्या व्यवस्थापनाचे महत्त्वपूर्ण काम ट्रेझरी ऑपरेशन्समध्ये केले जाते.

आर्थिक वर्ष २०१७-१८ मध्ये कर्जरोखे बाजारामध्ये तसेच चलनवाढीमध्ये तीव्र चढउतार झाले. जून २०१७ मध्ये चलनवाढीचा दर १.५४% इतक्या न्यूनतम पातळीवर येऊन डिसेंबर २०१७ पर्यंत ५.२१% इतका वाढला. आंतरराष्ट्रीय पातळीवर कच्च्या तेलाच्या वाढत्या किमती, अमेरिकेतील चढ्या व्याजदराची वाढीव शक्यता आणि जागतिक पातळीवरील सुलभ तरलतेची कमतरता या कारणांमुळे चलनवाढीच्या दरामध्ये वाढ झाली. या व्यतिरिक्त अंदाजपत्रकातील वित्तीय तुटीचे उद्दिष्ट पूर्ण करण्यात सरकार असमर्थ राहण्याच्या शक्यतेचा भारतीय कर्जरोखे बाजारावर प्रतिकूल परिणाम झाला. परिणामी आर्थिक वर्ष २०१७-१८ च्या सुरुवातीला असणारा १० वर्षे मुदतीचा मापदंड कर्जरोख्यावरील ६.६९% परतावा, अहवाल वर्षात ६.४१% वरून ७.७७% पर्यंत वाढून आर्थिक वर्षाच्या शेवटी तो ७.४०% वर बंद झाला.

कर्जरोखे बाजाराच्या मंदी अथवा घसरणीच्या काळात खरेदी-विक्रीवर नफा मिळविणे अवघड असते. अशा परिस्थितीत जेव्हा कर्जरोख्यांवरील परतावा वाढतो तेव्हा त्या कर्जरोख्यांची बाजारातील किंमत कमी होते. त्यामुळे मिळविलेला नफा कमी होऊन तोटा होऊ शकतो आणि विक्रीसाठी घेतलेल्या कर्जरोख्यांवर घसारा लागू शकतो.

अशा कठीण परिस्थितीत बँकेच्या वित्तकोष विभागाने ₹७८.२१ कोटी नफा मिळविला. पण दि. ३१ मार्च २०१८ अखेर AFS कॅटेगरीतील गुंतवणुकीवर ₹७२.४२ कोटी इतक्या घसान्याची तरतूद करावी लागली.



### विदेशी चलन विनिमय व्यवसाय

अहवालवर्षात जागतिक स्तरावर अमेरिकन अर्थव्यवस्थेप्रमाणेच इतर विकसित देशातही अर्थव्यवस्थेतील वृद्धी दिसून आली. एकंदरीत आंतरराष्ट्रीय व्यापारातील पोषक परिस्थितीचा फायदा घेत आपल्या आयात निर्यातदार ग्राहकांनी नवीन जीएसटी करप्रणालीतील अडचणींवर मात करीत आपला व्यवसाय वाढविला.

अशा चांगल्या परिस्थितीचा बँकेच्या विदेशी चलन विनिमय व्यवसायास फायदा मिळून अहवाल वर्षात त्याची उलाढाल ₹१४,३०७ कोटी झाली, जी मागील वर्षी ₹१०,०११ कोटी इतकी होती. बँकेच्या अनिवासी भारतीयांच्या ठेवी अहवाल वर्ष अखेरीस ₹१७१ कोटी इतक्या झाल्या आहेत.



### लेखापरीक्षण व तपासणी

दि. २४ सप्टेंबर २०१७ रोजी झालेल्या वार्षिक सर्वसाधारण सभेने मे.यार्दी प्रभू अँड असोसिएट्स, एल.एल.पी., मुंबई, मे.जी.डी.आपटे अँड कंपनी, चार्टर्ड अकौंटंट्स पुणे व मे. किर्तने अँड पंडित, एल.एल.पी., पुणे या तीन फर्मची सन २०१७-१८ या आर्थिक वर्षासाठी संयुक्त वैधानिक लेखापरीक्षक म्हणून नियुक्ती केली होती. त्यांनी बँकेच्या सर्व शाखा व मुख्य कार्यालयातील कामकाजाची तपासणी केली असून त्याबाबतचा दाखला या वार्षिक अहवालात देण्यात आला आहे.

बँकेचे सर्व कामकाज संपूर्णपणे संगणकाद्वारे केले जाते. यामधील सुरक्षिततेच्यादृष्टीने सन २०१७-१८ च्या सिस्टीम ऑडिटसाठी मे. एमव्हीएल कन्सल्टिंग प्रा लि. यांची नियुक्ती करण्यात आली होती. त्यांनी सिस्टीम ऑडिटचे काम पूर्ण करून त्याचा अहवाल दिला आहे. शाखांकडील आय.टी.इन्फ्रास्ट्रक्चरबाबतची तपासणी या वर्षी बँकेच्या प्रशिक्षित सेवकांकडून करून घेण्यात आली आहे.



### अंतर्गत लेखापरीक्षण व व्हिजिलन्स

शाखांच्या दैनंदिन कामकाजाचे अंतर्गत लेखापरीक्षण व सक्षम व्हिजिलन्स यासाठी सर्व विभागीय कार्यालयांमध्ये स्वतंत्र तपासणी विभाग कार्यरत असून दैनंदिन बँकिंग व्यवहारांवर प्रभावी नियंत्रण ठेवण्यासाठी हा विभाग कार्यरत आहे.



### मानव संसाधन

सेवकांमार्फत उत्कृष्ट ग्राहक सेवा देणे ही बँकेची परंपरा आहे. बँक व्यवस्थापनाने सेवकांचे कौशल्य व ज्ञान वाढविण्यासाठी महत्त्व दिलेले आहे, की ज्याद्वारे ग्राहकांना कोणत्याही परिस्थितीत उत्कृष्ट ग्राहक सेवा देण्याचा प्रयत्न असतो.

बँकिंग क्षेत्रातील नवनवीन टेक्नॉलॉजी स्वीकारण्यासाठी सेवक नेहमीच तयार असतात. त्यामुळे Finacle १० ही नवीन कार्यप्रणाली बँकेमध्ये यशस्वीपणे कार्यान्वित करता आली आहे.

या विभागामार्फत सेवकांचे कौशल्य विकसित करणे व त्यांच्या प्रगतीच्यादृष्टीने प्रयत्न करणे यावर लक्ष केंद्रित करण्यात येत असून याद्वारे भविष्यातील आव्हाने पेलण्यासाठी सेवक व अधिकारी सक्षम होत आहेत.

बँकेतील महिला सेवक व अधिकारी यांना काम व घर यांच्यामधील समतोल साधण्यासाठी व या दोन्ही जबाबदाऱ्या पेलताना येणारा ताण कमी करण्यासाठी बँक प्रयत्नशील असते. त्याबाबत बँक व्यवस्थापनाने अशा काही सुविधा यशस्वीरित्या सेवकांपर्यंत पोहोचविलेल्या आहेत. त्यातील एक भाग म्हणजे बँकेमध्ये समुपदेशन (Counselling) समितीची स्थापना करण्यात आली आहे. याद्वारे सेवकांच्या समस्या दूर करण्यासाठी फायदा होईल.

सेवकांच्या क्रियाशीलतेचा (Performance) आढावा ठराविक कालावधीनंतर घेण्यात येतो, त्यानुसार आवश्यकता असल्यास सेवकांच्या कामातील अचूकता वाढविणेच्यादृष्टीने सुधारणा करता येते.

बँकेमध्ये दि.३१ मार्च २०१८ अखेर एकूण २,४७४ सेवक कार्यरत असून यापैकी १,१६४ अधिकारी दर्जाचे तर १,२७० अन्य सेवक आहेत. तसेच यामध्ये आऊटसोर्स केलेल्या ३३५ उमेदवारांचा समावेश आहे.

अहवाल वर्षात बँक व्यवस्थापन व बँक सेवक संघ यांचेमध्ये सौहार्दपूर्ण संबंध राहिले आहेत.

The sexual Harrassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013 नुसार, बँकेने याबाबतची पॉलिसी केलेली असून अशात-हेच्या त्रासापासून मुक्त असे वातावरण महिला सेवक व अधिकारी यांना बँकेमध्ये उपलब्ध व्हावे यासाठी आवश्यक त्या सर्व बाबींचे नियमन करण्यात येत आहे. तसेच अशाप्रकारच्या तक्रारींचे निवारण करण्यासाठी बँकेमध्ये अंतर्गत समित्या स्थापन करण्यात आल्या आहेत. आतापर्यंत बँकेच्या महिला सेवकांकडून अशाप्रकारच्या कोणत्याही तक्रारी सदर समितीकडे दाखल करण्यात आलेल्या नाहीत.



### कॉसमॉस सेंटर ऑफ एक्सलन्स -

कॉसमॉस सेंटर ऑफ एक्सलन्स ही बँकेतील सेवक व अधिकारी यांचेसाठीची मध्यवर्ती प्रशिक्षण व्यवस्था असून यामार्फत विविधप्रकारच्या कार्यशाळांचे आयोजन करण्यात येते. सदरचे प्रशिक्षण केंद्र सर्व प्रकारच्या प्रशिक्षणांसाठी आवश्यक मूलभूत सुविधांनी युक्त असे आहे. बँकेच्या सर्व कर्मचाऱ्यांसाठी बँकेच्या विभागीय कार्यालयांमध्ये तसेच बँकेच्या मुख्य कार्यालयामधील प्रशिक्षण केंद्रांमध्येही प्रशिक्षणांचे आयोजन करण्यात येते. त्याद्वारे

बँकेच्या सेवकांचे कौशल्य आणि पात्रता वाढविण्याकरीता सर्व प्रकारचे प्रयत्न करण्यात येतात.

अहवाल वर्षात बँकेच्या सर्व शाखा व विभागांमधील सेवकांसाठी एकूण ८८ अंतर्गत प्रशिक्षणांचे आयोजन करण्यात आले होते व २,३१७ सेवक-अधिकाऱ्यांनी त्याचा लाभ घेतला. Stress Management through spiritual intelligence, soft skills, तसेच Loans, CASA अशा बँकिंगमधील विविध विषयांवर सदर प्रशिक्षण सत्रे आयोजित करण्यात आली होती.

या अंतर्गत प्रशिक्षणांव्यतिरिक्त College of Agricultural Banking RBI, IDBBI- Hyderabad, Indian Institute of Training & Development-Pune तसेच Indian Banks Association-Mumbai इ. बाहेरील नामांकित संस्थामार्फत आयोजित करण्यात येणाऱ्या प्रशिक्षण सत्रांना बँकेचे अधिकारी उपस्थित राहिले होते.

विशेषतः क्रेडिट मॉनिटरिंग व कर्जे या विषयामधील निपुणता वाढण्याचेदृष्टीने सेवक-अधिकाऱ्यांकरीता सर्व विभागांमध्ये प्रशिक्षण सत्रांचे आयोजन करण्यात आले होते.



### जोखीम व्यवस्थापन (रिस्क मॅनेजमेन्ट)

देशाची सध्याची अर्थव्यवस्था, विविध जागतिक घडामोडींचा त्यावर होणारा परिणाम व अर्थ व्यवस्थेमधील अंतर्गत दुवे इ.बाबींचा विचार करता, आपल्या बँकेचे स्थैर्य व व्यवसायाचा विकास सुनिश्चित करण्यासाठी जोखीम व्यवस्थापन हा महत्त्वाचा घटक आहे. बँकिंग क्षेत्र मजबूत व विकसित होण्याचेदृष्टीने जोखीम व्यवस्थापन ही नियामक पूर्ततेची बाब ठरली आहे. यासाठी जोखीम व्यवस्थापनाच्या विविध पॉलिसीज राबविण्यासाठी व दैनंदिन काम करताना सेवकांमध्ये याबाबत जागरूकता निर्माण होण्यासाठी आपल्या बँकेमध्ये विशेष कृती आराखडा तयार करण्यात आला आहे. या विभागामार्फत बँकिंग व्यवसाय करताना सामोरे जाव्या लागणाऱ्या ऑपरेशनल रिस्क, क्रेडिट रिस्क इ. विविध १६ प्रकारच्या जोखमी निश्चित करण्यात आल्या आहेत.

ऑपरेशनल रिस्क पॉलिसी, प्रिन्सीपल रिस्क पॉलिसी, ऍसेट लायबिलिटी मॅनेजमेन्ट पॉलिसी, बिझनेस कन्टीन्युटी पॉलिसी इ.बँकेमध्ये विकसित केल्या असून संपूर्ण बँकेमध्ये त्या राबविण्यात येत आहेत. या पॉलिसीजच्या पूर्ततेबाबतचे मॉनिटरिंग व रिपोर्टिंग याबाबत Operations Technology and Risk (OTR), Asset Liability Management committee (ALCO), Business Continuity Planning (BCP) अशा समित्यांमार्फत माहिती घेण्यात येते.

या व्यतिरिक्त सदर विभागामार्फत Information Security Risk याबाबतही देखरेख ठेवण्यात येते, सेवकांना व खातेदारांना अंतर्गत बातमीपत्रक, पोस्टर्स यामार्फत सायबर सुरक्षिततेबाबत जागरूक करण्यात येते. तसेच IT Risk कमी करण्यासाठी Data Centre व

Disaster Recovery site चे Information System Audit करण्यात येते व बँकेकडील वापरात असलेल्या information systems योग्यप्रकारे कार्यान्वित असल्याची खात्री केली जाते.



### करन्सी चेस्ट

आपल्या बँकेच्या करन्सी चेस्टचे कामकाज यशस्वीरित्या सुरु होऊन चार वर्षे झाली आहेत. या करन्सी चेस्टमार्फत बँकेच्या पुणे-मुंबई व नजिकच्या अन्य परिसरातील सर्व शाखांना नोटा व नाण्यांचा पुरवठा करण्यात येतो. करन्सी चेस्टमध्ये जमा करण्यात येणाऱ्या रोख रकमेच्या भरण्यामधून बनावट नोटा ओळखून, त्या बाजुला काढणे तसेच खराब नोटा वापरातून बाजुला काढून त्या रिझर्व्ह बँकेकडे पाठविण्याचे कामही या करन्सी चेस्टमार्फत करण्यात येते.

सन २०१७-१८ मध्ये, बँकेच्या ११२ व्या वर्धापनदिनानिमित्त, खातेदारांकरीता, करन्सी चेस्टमार्फत पुणे व मुंबई येथे ५ 'Public Awareness Training programs' आयोजित करण्यात आले होते. तसेच विविध शाखांकडे १२ 'Soiled Note and Coins Exchange Melas' आयोजित करण्यात आले होते.

सन २०१७-१८ मध्ये करन्सी चेस्टमार्फत ₹३,१४७.८४ कोटी रकमेची उलाढाल करण्यात आली.



### बँकिंग कोड्स ऍन्ड स्टॅन्डर्ड्स बोर्ड ऑफ इंडिया (BCSBI)

आपली बँक बँकिंग कोड्स ऍन्ड स्टॅन्डर्ड्स बोर्ड ऑफ इंडिया (BCSBI) ची सदस्य आहे. ग्राहकसेवा देण्याच्यादृष्टीने याद्वारे निश्चित केलेल्या सर्व मानकांचे पालन करण्यासाठी आपली बँक बांधिल आहे.

विविध ग्राहकसेवांसाठी लागणारा वेळ, दर्जा, प्रमाणीकृत फॉर्मस इ. करीता या कोड्सद्वारे मापके निश्चित केली आहेत. सदरचे कोड्स स्वीकारल्यामुळे बँकेमार्फत देण्यात येत असलेली ग्राहक सेवा अधिक सक्षम होण्यास मदत होत आहे. ग्राहकांचे माहितीसाठी सदरचे कोड्स बँकेच्या अधिकृत वेबसाईटवर प्रदर्शित करण्यात आले आहेत.

या कोड्सच्या पूर्ततेच्या अनुषंगाने वार्षिक पूर्तता अहवाल दरवर्षी बँकिंग कोड्स ऍन्ड स्टॅन्डर्ड्स बोर्ड ऑफ इंडिया (BCSBI) यांचेकडे पाठविण्यात येतो.



### इन्शुरन्स व्यवसाय

पूर्वी बँकांना लाईफ व जनरल इन्शुरन्सकरीता एकाच कंपनीबरोबर करार करण्यास मान्यता होती. तथापी Insurance Regulatory and Development Authority of India (IRDA) ने इन्शुरन्स व्यवसायासाठी बँकांना एकापेक्षा जास्त इन्शुरन्स कंपन्यांबरोबर

टाय-अप करण्यास मान्यता दिली आहे. त्यानुसार बँकेने लाईफ व जनरल इन्शुरन्सकरीता तीन कंपन्यांबरोबर करार केले आहेत. त्यामुळे खातेदारांना विविध इन्शुरन्स कंपन्यांच्या नाविन्यपूर्ण प्रॉडक्समधून आपल्या गरजेनुसार प्रॉडक्ट निवडण्याची सुविधा उपलब्ध होणार आहे.

**कॉस्मोकेअर** - बँकेच्या ११२ व्या वर्धापनदिनानिमित्त दि. १८ जानेवारी २०१८ रोजी बँकेने सदर योजना जाहीर केली होती. वैद्यकीय मदतीच्या वेळी ग्राहकांची आर्थिक गरज भागविण्याच्यादृष्टीने सदर योजना तयार करण्यात आली असून हॉस्पिटलायझेशनच्या वेळी सदर योजनेअंतर्गत खातेदाराने ठेवलेल्या मुदतठेवीची रक्कम त्वरित मिळण्याची सुविधा उपलब्ध आहे.

यासाठी बँकेने विविध नामांकित हॉस्पिटल्सबरोबर सहकार्य करार केले आहेत.



### वित्तीय समावेशन (Financial Inclusion)

समाजातील आर्थिकदृष्ट्या दुर्बल गटातील नागरिकांना बँकेच्या विविध सेवा मिळवून देण्यासाठी रिझर्व्ह बँकेने जाहीर केलेल्या मार्गदर्शक सुचनांनुसार, मार्च २०११ पासून वित्तीय समावेशन क्षेत्रामध्ये बँकेने कामकाज सुरु केले आहे. या अंतर्गत आपल्या बँकेमध्ये सुमारे १,४४० बचत गटांनी त्यांची बचत खाती सुरु केली असून या बचत गटांद्वारे सुमारे १४,४०० वैयक्तिक सदस्य बँकेशी संलग्न झाले आहेत. बँकेमार्फत या बचत गटांना प्राथमिक व व्यावसायिक प्रशिक्षण देण्यात येत आहे.

बँकेने या बचत गटांच्या सदस्यांसाठी विशेष कर्जयोजना सुरु केली आहे. या अंतर्गत चालू आर्थिक वर्षात पुणे व जळगाव-भुसावळ परिसरातील ५१ बचत गटांना एकूण ₹८६.२९ लाख रकमेचे कर्ज वितरण करण्यात आले आहे.

लघुवित्त कर्ज योजनेअंतर्गत (Micro Finance loan scheme) मार्च २०१६ पासून बँकेने Joint Liability Group - JLG - प्रकल्पाची सुरुवात केली आहे. समाजातील आर्थिकदृष्ट्या अनियोजित असलेल्या वर्गासाठी कर्जाचे वितरण करून त्यांना अर्थसाहाय्य करण्याचा या प्रकल्पाचा उद्देश आहे. सदर योजनेअंतर्गत निश्चित करण्यात आलेली किमान कर्जरक्कम ₹२०,०००/- व अधिकतम कर्जरक्कम ₹५०,०००/- असून सुरुवातीला यापैकी प्रत्येकी ₹२६,०००/- रकमेचे कर्जवितरण करण्यात येत आहे. सदर कर्जफेडीचा कालावधी २ ते ३ वर्षे असून कर्जाचा व्याजदर २४% लागू करण्यात आलेला आहे. या योजनेअंतर्गत गणेशनगर, निगडी, सांगली, अहमदनगर व नाशिक परिसरातील २७९ Joint Liability Groups च्या २,४९२ सदस्यांना एकूण ₹६४७.९२ लाखाचे कर्ज वितरण करण्यात आले आहे.

सध्या पुण्यातील गणेशनगर, निगडी तसेच सांगली, अहमदनगर व नाशिक या परिसरांमध्ये JLG प्रकल्पांतर्गत कामकाज सुरु करण्यात आले आहे.

या दोन्ही प्रकारच्या कर्जांची नियमितपणे परतफेड करण्यात येत आहे.

## फिनेकल १०.X कोअर बँकिंग अपग्रेड

बँकेमध्ये कार्यरत असलेली फिनेकल ७.X ही संगणकप्रणाली फिनेकल १०.X मध्ये अपग्रेड करून ही नवीन कार्यप्रणाली आपल्या बँकेमध्ये दि. १० जुलै २०१७ पासून यशस्वीपणे कार्यान्वित करण्यात आली आहे. फिनेकलच्या या अपग्रेडेशनमुळे संगणक प्रणालीची कार्यक्षमता वाढली असून त्याद्वारे बँकेच्या ग्राहकांसाठी देण्यात येणाऱ्या RTGS/ NEFT, IMPS (Interbank Mobile Payment System), IM Banking, UPI (Unified Payment Interface), AePS (Aadhar Enabled Payment System) अशा सुविधा अधिक चांगल्याप्रकारे देता येत आहेत.

**Passbook Printing Kiosk** - कोथरुड शाखेकडे पासबुक प्रिटींगचे मशीन चाचणीसाठी उभारण्यात आले आहे. यामुळे सेवकांचा पासबुक प्रिटींगचा वेळ वाचेल व खातेदारांना सोयीनुसार स्वतः प्रिटींग करून घेता येईल व त्यांच्याही वेळेत बचत होईल. सदर मशीनचा होत असलेला उपयोग विचारात घेता, इतर शाखांकडेही अशी मशीन्स बसविण्याचा प्रस्ताव विचाराधीन आहे.

**e-KYC** - बँकेमध्ये खाते सुरू करताना ग्राहक दाखल करीत असलेले Proof of Identity व Proof of Address यांची पडताळणी करणे अत्यावश्यक असते. यासाठी बँकेमार्फत ग्राहकांना e-KYC ची सुविधा उपलब्ध करून देण्यात आली आहे. या e-KYC सुविधेद्वारे, प्रत्येकवेळी KYC संबंधित कागदपत्रांच्या प्रती प्रत्यक्ष दाखल न करता, ग्राहक त्यांचे finger prints वा मोबाईल फोनवर येणारा One Time Password-OTP यांद्वारे इलेक्ट्रॉनिक स्वरूपात ही माहिती बँकेस सादर करू शकतात. अशाप्रकारे सदरची सुविधा paperless स्वरूपात उपलब्ध आहे. ग्राहकांचे आधार कार्डही सदरची सेवा जोडलेली आहे.

ग्राहकांचे बँकेकडे नोंद केलेले मोबाईल नंबर वा इमेल आयडी यामध्ये बदल झाल्यास सदरचे बदल करून बँकेकडील त्यांचे रेकॉर्ड अद्ययावत करण्यासाठी ग्राहकांना स्वतंत्र पोर्टल उपलब्ध करून दिले आहे.

## बँकेच्या स्वमालकीची उपकंपनी - कॉसमॉस ई सोल्युशन्स अँड सर्व्हिसेस प्रा. लि.

कॉसमॉस ई-सोल्युशन्स अँड सर्व्हिसेस प्रा. लि. यांचेकडून वेगवेगळ्या संगणक प्रणालींची निर्मिती तसेच देखभाल करण्यात येत असून कॉसमॉस बँकेव्यतिरिक्त तीसहून अधिक वित्तीय संस्थांसाठी संगणक प्रणाली निर्मिती व देखभालीसाठी सदर उपकंपनी कार्यरत आहे.

कंपनीने अहवालवर्षात IM Banking ही नवीन प्रणाली विकसित केली असून याद्वारे ग्राहक एकच User ID व Password वापरून इंटरनेट बँकिंग व मोबाईल बँकिंग या सुविधा वापरू शकतात. NPCI च्या नियमांचे पालन करून कंपनीच्या ग्राहक बँकांना एटीएम स्विचिंग सेवा कंपनी उपलब्ध करून देत आहे.

डिजिटल इंडिया प्रकल्पांतर्गत कॅशलेस व्यवहार व फिनान्शियल

इन्क्लुजन यांची व्याप्ती वाढविण्यासाठी कंपनीने Unified Payment Interface Platform - UPI च्या विकसनासाठी गुंतवणूक केली आहे.

या कंपनीस इन्फोसिस या जगविख्यात कंपनीने implementation partner घोषित केल्यापासून कंपनीने फिनेकल या कार्यप्रणालीवर काम करण्यास सुरुवात केली आहे. कंपनीमधील बँकिंग ज्ञान असलेले सेवक व फिनेकल कोअर बँकिंग प्रणालीमधील एका दशकाहूनही अधिक अनुभव असलेले टेक्निकल माहितगार यांच्या मदतीने कंपनीमार्फत बँकांना 'Bank in a Box' स्वरूपात फिनेकल कार्यप्रणाली उपलब्ध करून देण्यात येत आहे. यावर्षी कंपनीस ३ नागरी सहकारी बँकांकडून सदरची कार्यप्रणाली कार्यान्वित करण्याच्या ऑर्डर्स मिळाल्या आहेत.

या वर्षात कंपनीस एकूण ₹२.२२ कोटी निव्वळ नफा झाला असून कंपनीने १००% दराने ₹२५ लाख लाभांश बँकेस अदा केला आहे.

या वर्षात कंपनीस मिळालेले पुरस्कार,

- डेबिट कार्डधारकांच्या माहितीच्या सुरक्षिततेबाबत मान्यता असलेले PCIDSS चे सर्टिफिकेशन कंपनीस मिळाले आहे.
- कंपनीच्या टॅब बँकिंगच्या प्रॉडक्टसाठी कंपनीस फिनान्शियल एक्सप्रेस पुरस्कार मिळाला आहे.

## सेवक कलाक्रिडा

०१. पीडीसीए कै.सदू शिंदे लिग २०१७ या स्पर्धेमध्ये बँकेच्या क्रिकेट संघाने सहभाग घेतला होता. त्यामध्ये एकूण ५ सामन्यांमध्ये उल्लेखनीय कामगिरी करून ३ सामने बँकेच्या क्रिकेट संघाने जिंकले आहेत व सदर स्पर्धेमध्ये तिसरे स्थान पटकावले आहे.

०२. पीडीसीएच्या वतीने आयोजित केलेल्या पीडीसीए समर लिग २०१८ स्पर्धेमध्ये बँकेच्या क्रिकेट संघाने सहभाग घेतला होता व त्यामध्ये एकूण ४ सामन्यांमध्ये उत्कृष्ट कामगिरी करून ३ सामने जिंकून बँकेने दुसरे स्थान पटकावले आहे.

## वर्धापनदिन

दि. १८ जानेवारी २०१८ - बँकेच्या वर्धापनदिनाचे औचित्य साधून कॉसमॉस बँक सेवक संघाने कॉसमॉस टॉवर येथील तळमजल्यावर रक्तदान शिबीराचे आयोजन केले होते. याच दिवशी सायंकाळी बँकेचे सभासद, ठेवीदार व ग्राहक यांचेसाठी पारंपरिक तिळगूळ समारंभाचेही आयोजन करण्यात आले होते. याप्रसंगी 'कॉस्मो केअर' ही योजना जाहीर करण्यात आली.

## शाखा स्थलांतर

ग्राहक सेवा व ग्राहकांच्या सोईचा विचार करून बँकेच्या अन्नपूर्णा इंदूर व नागपूर या शाखा अधिक चांगल्या जागेमध्ये स्थलांतरीत करण्यात आल्या आहेत.

अन्नपूर्णा इंदूर शाखा - दि. ३१ मे २०१८

नागपूर शाखा - दि. १४ जून २०१८

## बँक गौरव

०१. बँकेस इन्स्टिट्यूट ऑफ डेव्हलपमेन्ट अँड रिसर्च इन बँकिंग टेक्नालॉजी या संस्थेचा सन २०१६-१७ साठीचा IDRBT Banking Technology Excellence Award हा पुरस्कार रिझर्व्ह बँकेचे डेप्युटी गव्हर्नर Mr. B P Kanungo यांचे हस्ते मिळाला आहे.
०२. बँकेच्या डेटा सेंटरला ISO २७००१ सर्टिफिकेशन प्राप्त झाले आहे.
०३. बँकेस दि कॉम्प्युटर सोसायटी ऑफ इंडिया (CSI) यांचेमार्फत देण्यात येणारा IT Innovation & Excellence पुरस्कार प्रदान करण्यात आला आहे.
०४. जगातील कोअर बँकिंग प्रणाली बनविणाऱ्या अग्रगण्य अशा इन्फोसिस या कंपनीकडून बँकेच्या Tab Banc या प्रणालीसाठी बँकेस पुरस्कार मिळाला आहे. अद्ययावत तंत्रज्ञान वापरून कोअर बँकिंग प्रणालीतून ग्राहकसेवा देण्यासाठी बनविण्यात आलेल्या innovative utilities साठीही इन्फोसिसतर्फे बँकेस पुरस्कार प्रदान करण्यात आला आहे.
०५. बँकेच्या ११२ वर्षांच्या कारकिर्दीबद्दल व बँकेने नागरी सहकारी बँकिंग क्षेत्रामध्ये केलेल्या अतुलनीय कार्यासाठी एनएसडीएल यांचेकडून बँकेस विशेष पुरस्कार मिळाला आहे.
०६. बँकेच्या डिमॅट विभागास National Securities Depository Ltd (NSDL) यांचेकडून सलग ४ थ्या वर्षी Top Performer in New Accounts Opened (Co-operative Bank Category) पुरस्कार मिळाला आहे.

## संचालक विशेष

०१. बँकेचे संचालक श्री. कृष्णकुमार गोयल यांची, अखिल भारतीय आगरवाल संमेलन एप्रिल २०१८ साठी सिनीअर व्हाईस प्रेसिडेंट म्हणून निवड करण्यात आली आहे.  
पुणे फेस्टिव्हल २०१८ च्या व्हाईस प्रेसिडेंटपदी नियुक्ती करण्यात आली आहे.
०२. बँकेचे संचालक श्री. राजीव साबडे यांची, सावित्रीबाई फुले पुणे विद्यापीठाच्या अधिसभेवर (सिनेट) कुलपती प्रतिनिधी सदस्य म्हणून नियुक्ती करण्यात आली आहे.  
मराठा चेंबर ऑफ कॉमर्स इंडस्ट्रीज अँड अँग्रीकल्चरच्या कार्यकारिणीवर निवड करण्यात आली आहे.

## अधिकारी विशेष-

- बँकेच्या IT Head व बँकेच्या उपकंपनीच्या व्यवस्थापकीय संचालिका श्रीमती आरती ढोले यांना,
०१. बँकिंग फ्रॉंटिअर्स यांचेमार्फत को-ऑपरेटीव्ह बँकिंग -लिडरशीप कॅटेगरीमधील सन २०१६-१७ साठीचा Best IT Head हा पुरस्कार प्रदान करण्यात आला आहे. बँकेच्या व्यवसाय विस्तारामध्ये उपकंपनीमार्फत अद्ययावत आयटी सुविधांद्वारे देण्यात येत असलेल्या सहकार्याबद्दल सदरचा पुरस्कार प्रदान करण्यात आला आहे.
  ०२. दि कॉम्प्युटर सोसायटी ऑफ इंडिया (CSI) यांचेमार्फत देण्यात येणारा CIO of the year पुरस्कार प्रदान करण्यात आला आहे.

## निगम व्यवस्थापन (Corporate Governance)

बँकेचे दैनंदिन कामकाज, कर्जमंजुरी व धोरणविषयक बाबी इ. कामकाजासाठी अहवालवर्षात संचालक मंडळाच्या खालील समित्या कार्यरत होत्या.

०१. मा. कार्यकारी समिती	०६. मा. फ्रॉड मॉनिटरिंग समिती
०२. मा. पुणे, सेंट्रल व सदर विभाग कर्जमंजुरी व वसुली कामकाज समिती	०७. मा. ऑसेट मॅनेजमेन्ट समिती
०३. मा. मुंबई व गुजरात विभाग कर्जमंजुरी व वसुली कामकाज समिती	०८. मा. विकास व सभासद संपर्क समिती
०४. मा. तपासणी समिती	०९. मा. सेवक समिती
०५. मा. गुंतवणूक व विदेशी चलन व्यवहार कामकाज समिती	१०. मा. फिनान्शियल इन्क्यूजन समिती



या आर्थिक वर्षामध्ये संचालक मंडळाच्या एकूण ३४ सभा व पोटसमित्यांच्या एकूण १३५ सभा झाल्या. त्यांच्या उपस्थितीचा तपशील पुढीलप्रमाणे,

संचालकाचे नाव	संचालक मंडळ सभा		पोटसमित्या सभा	
	एकूण सभा	पैकी उपस्थित	एकूण सभा	पैकी उपस्थित
१.श्री.मिलिंद काळे	३४	३४	१३५	११६
२.श्री.गोविंद क्षीरसागर	३४	३३	७४	६९
३.डॉ.मुकुंद अभ्यंकर	३४	२८	३३	२७
४.डॉ.स्मिता जोग	३४	२४	४९	३६
५.श्री.कृष्णकुमार गोयल	३४	२४	६०	४३
६.अॅड.जयंत शालिग्राम	३४	२७	४८	३०
७.श्री.प्रकाश जोशीराव	३४	१३	३५	०
८.श्री.सुनील सबनीस**	३४	२५	४२	३४
९.श्री.राजीव साबडे	३४	३२	२१	२१
१०.अॅड.प्रल्हाद कोकरे	३४	३३	६१	६०
११.अॅड.श्रीपाद पंचपोर	३४	२७	६८	५८
१२.श्री.जितेंद्र शहा	३४	२१	३०	२२
१३.कै.मधुकर अत्रे*	११	०९	२०	१६

\* बँकेचे ज्येष्ठ संचालक मधुकर वामन अत्रे यांचे दि.१८ जुलै २०१७ रोजी दुःखद निधन झाले.

\*\* दि.२७.०३.२०१८ रोजी श्री.सुनील सबनीस यांचा संचालक पदाचा राजीनामा मंजूर करण्यात आला.

## सभासद

अहवाल वर्षात आपल्या बँकेने ५,३३३ व्यक्ती व संस्थांना नवीन सभासदत्व दिले. राजीनामा व अन्य कारणांमुळे २,१९१ सभासद पटावरून कमी झाले. त्यामुळे ३१ मार्च २०१८ अखेर बँकेची सभासद संख्या ७८,८१५ इतकी झाली आहे.

## आपला ग्राहक जाणून घ्या (KYC -Know Your Customer) व Anti Money Laundering (AML)

रिझर्व्ह बँक वेळोवेळी Know Your Customer (KYC) व Anti Money Laundering (AML) या अनुषंगाने लागू करित असलेल्या सर्व मार्गदर्शक तत्वांचे आपल्या बँकेमध्ये पालन करण्यात येत आहे. नव्याने सुरु करण्यात येणाऱ्या बचत व चालू खात्याबाबत ग्राहकांची १००% KYC पूर्तता करून घेण्यासाठी, नवीन बचत व चालू खाती ही, दोन अकॉंट ओपनिंग सेलमार्फत सुरु करण्यात येत आहेत. नवीन अकॉंट ओपनिंग फॉर्म्सची व KYC बाबतच्या कागदपत्रांची सखोल छाननी या अकॉंट ओपनिंग सेलमार्फत करण्यात येते व सदरची कागदपत्रे Document Management System मार्फत स्कॅनिंग करून त्यांचे कायमस्वरूपी जतन करण्यात येते.

रिझर्व्ह बँकेच्या मार्गदर्शक सुचनांनुसार, बँकेतील सर्व खात्यांचे जोखीमनिहाय वर्गीकरण करण्यात येते. ग्राहकांचा खातेव्यवहार, त्यांच्या व्यवसायातील बदल इ.नुसार या जोखीम वर्गीकरणामध्ये वेळोवेळी बदल करण्यात येतो. सर्व खात्यांचे त्यांना दिलेल्या जोखीमनुसार मॉनिटरिंग करण्यात येते. रिझर्व्ह बँकेच्या मार्गदर्शक सुचनांनुसार, High, Medium व Low Risk असलेल्या ग्राहकांची KYC संबंधी कागदपत्रे ठराविक कालावधीनंतर अद्ययावत करून घेण्यात येतात.

ग्राहकांचे खात्यातील व्यवहारांचे योग्य मॉनिटरिंग करण्याचेदृष्टीने तसेच Financial Intelligence Unit-India (FIU-IND) ला वैधानिक रिपोर्टस् पाठविण्याचेदृष्टीने बँकेमध्ये RxAML ही Anti Money Laundering बाबतची संगणक प्रणाली कार्यान्वित केली असून याद्वारे विविध रिपोर्टस् व अॅलर्टस् उपलब्ध होत आहेत.

Prevention of Money Laundering Act च्या मार्गदर्शक सुचनांनुसार, Cash Transaction Reports (CTR), Non-Profit Organisation Transaction Report (NTR), Counterfeit Currency Report (CCR) and Cross Border Wire Transfer (CBWT) यासारखे विविध वैधानिक रिपोर्ट्स बँकेमार्फत Financial Intelligence Unit-India (FIU-IND) यांचेकडे निश्चित करून दिलेल्या वेळेत पाठविण्यात येतात.

बँकेमध्ये दैनंदिन व्यवहार करताना Know Your Customer (KYC) व Anti Money Laundering (AML) याबाबत बँकेचे सेवक व अधिकारी यांचेमध्ये सजगता येण्यासाठी विविध प्रशिक्षणांचे आयोजन करण्यात येते. तसेच पोस्टर्स, बॅनर्स, वर्तमानपत्रे यांसारख्या विविध माध्यमांमधून ग्राहकांना KYC संबंधी कागदपत्रांची पूर्तता करणेबाबत आवाहन करण्यात येत आहे.

Prevention of Money Laundering Act व रिझर्व्ह बँक यांचे सुचनांनुसार, नव्याने खाते सुरु करण्यात येत असलेल्या ग्राहकांची तपशीलवार माहिती व KYC कागदपत्रे CERSAI च्या CKYC पोर्टलवर अपलोड करणे आवश्यक असून त्यानुसार आपल्या बँकेने कार्यवाही करण्यास सुरुवात केली आहे. CERSAI कडून ग्राहकांना १४ अंकी KYC identifier क्रमांक मिळतो. इतर कोणत्याही आर्थिक व्यवहार होणाऱ्या संस्थेमध्ये सदर क्रमांक दिल्यानंतर KYC कागदपत्रे पुन्हा दाखल करावी लागत नाहीत.

आपली बँक Authentic User Agency (AUA) आणि KYC User Agency (KUA) असून UIDAI च्या e-KYC सर्व्हिसेसमधून बँकेच्या ग्राहकांचे OTP, Biometric व Demographic पद्धतीने Aadhar चे Online Verification करत आहे.

### मागील तीन वार्षिक सर्वसाधारण सभांचा तपशील

०१. आर्थिक वर्ष - २०१४-१५	
तारीख व ठिकाण	शनिवार दि. २६ सप्टेंबर २०१५ शिवशंकर सभागृह, महर्षिनगर, पुणे ४११०३७
सभेने मंजूर केलेले विशेष ठराव	<p>१. बँकेचे पोटनियम क्र. ४(xx)(a), ६ (a)(ii)(m), ६ (aa), ६ (a)(vi), ६ (b)(ii), ६ (b)(v,vi), १५ (i), १९ (xvi, xvii), २४ (i), २८(i), २८ (ii), (iv), ३१ (iii) and ३८ (xv) यामध्ये सुचविलेल्या दुरुस्त्यांसह सदरचे पोटनियम मान्य करण्यात आले.</p> <p>२. सन २०१५-१६ साठी वैधानिक लेखापरीक्षक म्हणून मे. पी जी भागवत व मे. जी डी आपटे अँड कंपनी यांची नियुक्ती करण्यास मान्यता देण्यात आली.</p> <p>३. सन २०१४-१५ साठी १०% लाभांश मान्य करण्यात आला.</p>
०२. आर्थिक वर्ष - २०१५-१६	
तारीख व ठिकाण	गुरुवार दि. २९ सप्टेंबर २०१६ शिवशंकर सभागृह, महर्षिनगर, पुणे ४११०३७
सभेने मंजूर केलेले विशेष ठराव	<p>१. सन २०१६-१७ साठी वैधानिक लेखापरीक्षक म्हणून मे. जी डी आपटे अँड कंपनी व मे.यार्दी प्रभू अँड असोसिएट्स यांची नियुक्ती करण्यास मान्यता देण्यात आली.</p> <p>२. सन २०१५-१६ साठी रिझर्व्ह बँकेच्या मंजुरीस अधीन राहून १०% लाभांश शिफारस मान्य करण्यात आली.</p>
०३. आर्थिक वर्ष - २०१६-१७	
तारीख व ठिकाण	रविवार दि. २४ सप्टेंबर २०१७ शिवशंकर सभागृह, महर्षिनगर, पुणे ४११०३७
सभेने मंजूर केलेले विशेष ठराव	<p>१. सन २०१७-१८ साठी वैधानिक लेखापरीक्षक म्हणून मे.यार्दी प्रभू अँड असोसिएट्स, एल.एल.पी., मुंबई, मे. जी डी आपटे अँड कंपनी व मे. किर्तने अँड पंडित, एल.एल.पी., पुणे यांची नियुक्ती करण्यास मान्यता देण्यात आली.</p> <p>२. रिझर्व्ह बँकेच्या परवानगीस अधीन राहून, अहवाल वर्षात बँकेस झालेल्या ₹७१.७३ कोटी नफ्यातून वैधानिक तरतुदी केल्यानंतर शिल्लक ₹४१.१६ कोटी नफ्यातून व/वा रिझर्व्हमधून सन २०१६-१७ आर्थिक वर्षासाठी १०% लाभांश जाहीर करून वाटपाकरीता रिझर्व्ह बँकेकडे विनंती अर्ज करण्याची व आवश्यक तो पाठपुरावा करण्याची आग्रहाची शिफारस संचालक मंडळास करावी यास एकमताने मंजुरी देण्यात आली.</p>



## श्रद्धांजली

अहवालवर्षात दिवंगत झालेल्या बँकेशी संबंधित व्यक्ती, तसेच ज्ञात-अज्ञात सभासद/ खातेदार, बँक कर्मचारी व अन्य व्यक्ती यांना विनम्र श्रद्धांजली.

## भेटीगाठी व आभार

अहवालवर्षात आपल्या बँकेस विविध मान्यवरांनी कार्यक्रमांच्या निमित्ताने भेटी दिल्या. यामध्ये प्रामुख्याने-

- श्री. नितीन गडकरी, मा.केंद्रीय मंत्री, भूपृष्ठ वाहतूक व जहाज
- श्री. सी. विद्यासागर राव, मा. राज्यपाल, महाराष्ट्र राज्य
- श्री. किरण गित्ते, आयएस, Metropolitan Commissioner, Pune
- श्री. दिलीप गांधी, मा. खासदार व अध्यक्ष, नगर अर्बन बँक
- श्री. नितीन करमळकर, कुलगुरू सावित्रीबाई फुले, पुणे विद्यापीठ.
- श्री. लक्ष्मीकांत देशमुख, अध्यक्ष, अखिल भारतीय मराठी साहित्य संमेलन बडोदा, २०१८

## ऋणनिर्देश

अहवालवर्षात सेंट्रल रजिस्ट्रार, कृषी व सहकार विभाग, भारत सरकार नवी दिल्ली व तेथील अधिकारी, रिझर्व्ह बँकेचे अधिकारी, महाराष्ट्र, मध्य प्रदेश, कर्नाटक, गुजरात, तामिळनाडू, आंध्र प्रदेश, तेलंगणा या राज्यांचे सहकार आयुक्त व निबंधक, सहकार खात्याचे अधिकारी इ. सर्वांचे आभार !

अहवालवर्षात अंतर्गत, कन्करंट व वैधानिक लेखापरीक्षक यांनी केलेल्या मार्गदर्शनाबद्दल आभार !

बँकेच्या वाटचालीमध्ये कॉसमॉस बँक सेवक संघटनेचाही मोलाचा वाटा असून संघटनेचे पदाधिकारी व सेवक यांनीही वेळोवेळी दिलेल्या सहकार्याबद्दल सर्वांचे आभार !

अहवालवर्षात बँकेचे सभासद, ठेवीदार व खातेदार यांचे सहकार्य तसेच बँकेचे सेवक व अधिकारी यांचे मिळालेले योगदान महत्त्वाचे आहे, या सर्वांना मनःपूर्वक धन्यवाद !



मिलिंद काळे  
अध्यक्ष

दि. १० ऑगस्ट २०१८

## सभासदांना विनंती

- आपल्या पत्रव्यवहाराच्या पत्त्यामध्ये काही बदल असल्यास तो कळविण्याची विनंती आहे.
- ग्राहकांच्या खात्यातील रकमेच्या सुरक्षेच्यादृष्टीने तसेच नव्याने सुरु करण्यात येणाऱ्या विविध योजनांची माहिती ग्राहकांपर्यंत पोहोचविण्याचेदृष्टीने बँकेमार्फत याबाबत एसएमएस पाठविण्यात येत आहेत. तरी आपले अद्ययावत मोबाईल क्रमांक व इमेल आयडी संबंधित शाखांमध्ये रजिस्टर करावेत.
- मल्टिस्टेट को-ऑप.सोसायटीज ॲक्टमधील तरतुदीनुसार मल्टिस्टेट को-ऑप.सोसायटीचा सभासद सलग तीन वर्षे वार्षिक सर्वसाधारण सभेस अनुपस्थित असल्यास व त्याची अशी अनुपस्थिती वार्षिक सर्वसाधारण सभेने मान्य न केल्यास त्याचे सभासदत्व आपोआप संपुष्टात येते. सभासदांनी या तरतुदीची नोंद घेऊन सभेस उपस्थित रहावे. तसेच अनुपस्थित रहाणार असल्यास तसे लेखी कळवावे.
- बँकेकडे असलेल्या आपल्या खात्यास आधार कार्ड क्रमांक जोडून घेण्यासाठी आपला आधार कार्ड क्रमांक शाखेकडे त्वरीत कळवावा.

## बँकेमार्फत उपलब्ध करून देण्यात येत असलेल्या सेवा सुविधा-

इंटरनेट बँकिंग - मोबाईल बँकिंग (IM Banking)	आधार एनेबल्ड पेमेन्ट सिस्टीम (AePs)	ई केवायसी (e-KYC)
पॉइंट ऑफ सेल (POS)	डायरेक्ट बेनेफिट ट्रान्सफर ऑफ एलपीजी सबसिडी (DBTL)	डिमॅट-म्युच्युअल फंड
जनरल इन्शुरन्स, लाईफ इन्शुरन्स	प्रधानमंत्री जीवन ज्योती बिमा योजना	प्रधानमंत्री सुरक्षा बिमा योजना
पॅनकार्ड	ई टॅक्स पेमेन्ट	युनिव्हर्सल बिल पे
फॉरेक्स आधारित सेवा	आधार पेमेन्ट ब्रिज सिस्टीम ॲन्ड नॅशनल ऑटोमेटेड विलअरींग हाऊस (APBS & NACH)	आरटीजीएस/ एनईएफटी (RTGS/NEFT)
बल्क रेमिटन्स फॉर कॉर्पोरेट कस्टमर्स	मिस्ड कॉल सर्व्हिस फॉर बॅलन्स एन्क्वायरी	युनिफाईड पेमेन्ट इंटरफेस (UPI)

## DEAR SHAREHOLDERS,

On behalf of the Board of Directors of your Bank, I hereby present the 112th Annual Report of your Bank.

## GLOBAL ECONOMY

In the year 2017 there is an increase in the Global Economy by 3.51% and it is expected to increase upto 3.80% in the year 2018. A tremendous increase was observed in the American Economy in the year 2017 compared to the previous year and it also maintained its supremacy in this year too. The American GDP increased from 1.86% in the year 2016 to 2.50% in the year 2017. The rate of unemployment of USA was 4.87% in 2016 which decreased to 4.35% in 2017. The American Federal Reserve Bank continued their policy of austerity measures and increased the interest rates on three occasions. The value of American Dollar, compared to other currencies decreased to some extent in the F.Y. 2017-18 which resulted in upsurge of prices of many commodities. Due to this and also due to the policy of low production in 2017 and 2018 by exporting countries affiliated to Organisation of Petroleum Exporting Countries (OPEC), prices of international crude oil increased.

## INDIAN ECONOMY

The Indian Economy registered a growth of 6.70% in the year 2017-18 compared to the growth of 7.10% in the year 2016-17. This low growth rate in 2017-18 was due to the initial problems faced after implementation of Goods and Services Tax (GST) and also the after effects of demonetization. The fiscal deficit which was expected at 3.20% in the beginning and with improved forecasting at 3.50%, stood at 3.52% for the F.Y. 2017-18.

Index of Industrial Production (IIP) decreased from 4.63% in the year 2016-17 to 4.36% in the year 2017-18. The deficit in the International Trade Business increased to \$156.82 billion in the year 2017-18 from \$108.91 billion in the year 2016-17. Increase in the deficit of International Trade Business was due to slackening of exports and increase in the prices of crude oil. During the year under report, decrease in the prices of food products resulted into reduction of inflation rate from 4.54% in 2016-17 to 3.58%.

Moody's Investor Service, an International Ratings Agency has increased the 'Sovereign Rating' of the Indian Economy from 'Positive' to 'Stable' as a result of major Economic and Institutional Reforms initiated by the Modi Government since last 3 years. It was the first rating upgrade of India in last 14 years, by the Moody's.

Hon'ble Finance Minister has presented the Union Budget for the year 2018-19 in Feb 2018 which emphasized on various sectors viz. Agro Business Empowerment, Rural Development, Health, Small and Medium (MSME) Business along with Infrastructure. The budget revised the fiscal deficit target of F.Y.2017-18 upward to 3.50% from earlier estimate of 3.20% and the fiscal deficit for F.Y. 2018-19 is set at 3.30% of GDP.

## INDIAN BANKING SECTOR

In the year 2017-18, the Indian Banking Sector was surrounded by the mounting pressure of Non-Performing Assets and Bad Loans. The performance of the Indian Banking Sector seemed emaciated due to back to back reforms like demonetization and GST alongwith large financial scams.

The percentage of Gross Non-Performing Assets of the entire Banking Sector increased to 11.60% in the year 2017-18 compared to 9.60% in the year 2016-17. As on 31.03.2018, the percentage of Non-Performing Assets of Public Sector Banks was 15.60% and that of the Private Sector Banks was 4%.

During the year under report, RBI placed 11 PSU banks under Prompt Corrective Action (PCA) owing to their worsening financial health.

To save the Public Sector Banks which were in crisis, the Central Government infused massive capital in to these banks. Central Government has declared to provide these Banks with Capital Funds of ₹2.11 lakh crore for the period of 2 years.

In the year 2017-18, the Bank deposits increased at a lower rate compared to loans. There was an increase in loans by 4.71% in the year 2016-17 and it increased up to 10.65% in the year 2017-18. While the growth in deposits was 16.40% in the year 2016-17, the growth rate in the year 2017-18 was mere 4.10%.

## OUR BANK'S PRESENT SITUATION

As on March 2018, after making the necessary provisions from Operating Profit, the net profit earned by your Bank is limited. The Reserve Bank of India approved to distribute a lesser percentage of dividend than the earlier years for the last year which was unexpected. The main reason for this were the Non-Performing Assets and the provisions made for the same from the Operating Profit.

During the year under review, Treasury profit was very low while an amount of ₹72.42 crores was provided towards depreciation in the securities. Due to unexpected events in the Capital Markets, all the banks had to bear the said depreciation. Provisions for this unexpected loss in the treasury business was required to be earmarked by your Bank as on 31.03.2018. Reserve Bank of India has not approved to withdraw any amount from the Investment Fluctuation Reserve. Hence, there was an adverse effect on the Banks Net Profit due to mandatory provisions for Non - Performing Assets on one side and on the other side, negligible Treasury profit and the depreciation provision.

## ACTION PLAN

In this tough situation, your Bank has prepared an action plan and future roadmap to overcome the current situation.. Treasury business and NPAs are the two factors which affect the Bank's profit. treasury business is based on fluctuating market conditions. However, on the NPA front, your Bank is emphasizing on speedy recovery of overdue loans and we are taking extraordinary efforts for the same. The Managing Director will directly oversee the Recovery Department and four General Managers along with their team of officers are already operational for this task. Periodic review of the recovery action is being taken through officer's meetings and with members of the Board of Directors. Monthly review is taken of Top 30 Non-Performing Accounts and appropriate directions are given to the office for the recovery of the overdue amount. The recovery is done through possession of properties, auctions, sale of securities for appropriation of overdues. Special efforts are taken for the recovery in notionally written off accounts.

Regional OTS Camps are organized and the overdue accounts are being closed after proper negotiations with the borrowers. Regional meetings are arranged with borrowers whose accounts are overdue, to understand their problems and provide solutions to them, wherever necessary. All these efforts have shown positive results and a remarkable recovery of ₹80.11 crore has been made till the end of July 2018. Out of this ₹17.93 crore recovery has been done from the write-off accounts.

Alongwith recovery of overdues, a separate Credit Supervision Cell is monitoring the loan accounts above ₹10 crore as well as restructured accounts. The said cell is supervised by Chief General Manager. Restructured accounts totaling to ₹252.60 crore are monitored regularly and closely to keep them performing. If any irregularity is observed in such type of accounts, it is immediately being informed to the concerned region for further necessary action. Special efforts are taken to restrict any new slippage, especially in large loan accounts.

In addition to above, your Bank is concentrating on retaining the existing good borrowers and also to mobilize new loan business. While taking over loans from other banks due diligence is done and "Welcome ROI" is offered to these new customers. Further considering the cut throat competition in the market, attractive interest rate is offered for Green Field Projects, Lease Rental Discounting, Group Borrowers availing loan facility above ₹10.00 crore and also to the priority sector and weaker section. Attractive loan schemes are developed for Vendor Finance, Commercial Vehicle Loan, Cosmo Salary Earners Loan by revising various parameters.

As the Private Sector Banks have started interest rate war for offering loans at a lower interest rates, many borrowers are demanding concessional interest rates and accordingly certain special parameters for credit rating are made applicable to provide concessional rate of interest.

Due to the low risk in retail loans, your Bank is aggressively marketing the retail products of the Bank and necessary up-gradations are done in the retail products to make them more competitive.

Loan Type	Year 2016 - 17		Year 2017 - 18		Increase	
	No. of Accounts	Sanction Amount (₹ Cr.)	No. of Accounts	Sanction Amount (₹ Cr.)	No. of Accounts	Sanction Amount (₹ Cr.)
Business Property Mortgage	138	97.81	306	242.09	168	144.28
Cash Credit (Inclusive of LC, BG, Bills Discounting)	330	534.08	495	739.21	165	205.13
Cosmo Credit	1252	18.36	2442	37.69	1190	19.33
Education Loan	29	2.81	68	6.81	39	4.00
Home Loan	540	115.64	752	165.70	212	50.06
Professional Loan	28	0.72	64	2.04	36	1.32
Property Mortgage Term Loan	179	43.39	576	146.88	397	103.48
Joint Liability Groups and Self Help Group Loans	28	0.53	51	0.87	23	0.33
Vehicle Loan	1068	50.83	2004	155.73	936	104.87

During the year under report, along with this efforts were taken for increasing CASA deposits. As a result of which CASA deposits increased by ₹168 crore compared to March 2017 and the percentage of CASA to total deposits is 24.15%.

It is a challenging task to fulfil the demand of low Rate of Interest for loans and high Rate of interest for deposits. There is a cut throat competition amongst the banks to retain the customer/ borrowers. Resultantly, it is adversely affecting the profit. Your Bank is trying to both, borrowers and depositors.

On this background, your Bank's owned funds are ₹1,984.09 crore and the Capital Adequacy is 13.95% as on March 2018.

Being a part of Indian Banking Sector, the changes in the Indian Economy have also affected the Bank. The impact of changes are witnessed on present financial position of your Bank. The present period is definitely challenging for your Bank. Hence, we appeal to the shareholders not to get disheartened and

provide support and faith in your Bank in this tough situation. We are sure that there will be a positive change With the help of strong and stable support from esteemed shareholders, good leadership, devoted staff and co-operation from staff Union, we are confident that the Bank will sail through this difficult times and once again successfully attain the growth by March 2019.

## BOARD OF DIRECTORS

In the Financial Year 2017-18, Shri. Milind Kale led the Board as Chairman while Shri. Madhukar Atre (till 18.07.2017) and presently Mr. Govind Kshirsagar (from 24.08.2017) is the Vice-Chairman.

One of the directors, Shri. Sunil Sabnis resigned from the post of Board of Directors which was accepted by the Bank and he was relieved from the directorship from 27.03.2018. Shri. Sunil Sabnis was the Director of the Bank since 1999.

## KEY FINANCIAL INDICATORS

(₹ in crore)

Financial Highlights	2016-17	2017-18
Share Capital	382.96	371.64
Reserves	1450.41	1612.45
Owned Funds	1833.37	1984.09
Net NPA	5.96%	7.24%
Gross NPA	7.73%	9.45%
<b>Total Income</b>	<b>2185.15</b>	<b>1949.36</b>
A) Interest Received	1596.80	1461.68
B) Other Income	317.53	204.54
C) Other Credits	270.82	283.14
<b>Total Expenditure</b>	<b>2113.44</b>	<b>1942.67</b>
A) Interest Paid	1248.04	1099.56
B) Establishment Expenditure	167.39	157.99
C) Other Expenditure	178.90	184.95
D) Provisions	519.10	500.17
<b>Net Profit</b>	<b>71.73</b>	<b>6.69</b>



### DEPOSITS

Total Deposits of your Bank as on March 2017 were ₹15,649 crore. For the F.Y.2017-18, total deposits of your Bank reached ₹14,932 crore. During this year, the Bank continued its focus on CASA Deposit Growth and consciously discouraged high cost bulk deposit. Even if there is decrease in Total Deposits, the CASA Deposits registered a growth of ₹168 crore. Share of CASA deposits to total deposits as on 31-03-2018 was 24.15%.

During the Financial Year 2017-18, your Bank has started the following New Schemes.

1. Shubharambh Current Account Scheme – The scheme was launched for Pan India branches in August 2017.

This is an exclusive scheme which offers zero balance current account. To provide best-in-class services to the customers the bank has made tie up with three POS machine providing companies. We have given concessional rates on POS services to the account holders who have opened account under Shubharambh Scheme. Approximately 1300 accountholders have taken the benefit of the said scheme.

2. RERA: The Real Estate Development & Regulation Act (RERA) was made applicable all over the country w.e.f. 1<sup>st</sup> May-2017 by the Government of India. Flexi Fixed Deposit Facility is available on the current accounts opened under the said scheme. The customers who are opening RERA Escrow current account earn interest on the account balance as per saving Rate of Interest.



## LOANS AND ADVANCES

During the year under report, the loans and advances of your Bank stood at ₹10,771 crore from ₹11,461 crore. Your Bank has taken a strategic decision to restrain from taking CBLO lending during the year. Excluding CBLO lending, Net increase in advances is ₹505 crore during the year. Loans of ₹209.75 crore were written off during the year, for which 100% provision was made. Considering this, the actual growth of the advances portfolio is 6.96%.

The Credit Deposit (CD) Ratio as on 31st March 2018 stood at 72.13%. The Percentage of Loans with Own Funds plus deposits was 66.52% as on 31st March 2018 which was as per the RBI guidelines.

Your Bank's maximum Single Party Exposure is ₹190 crore and Maximum Group Exposure is ₹510 crore which is based on the Audited Financials as on 31st March, 2017 as per RBI guidelines. As a result, your Bank will now be able to cater to the credit requirements/ demands of reputed companies and corporate customers as well. Considering the risks involved in the financial market, the Board of directors took a strategic decision to restrict the maximum limit to ₹50.00 crore, for any new individual borrower. However, in case of higher credit demand than the maximum exposure limit set, the Bank considers consortium arrangement with other Banks based on the financial capacity of the proposed borrower.

Due to ongoing events in the Indian Economy there has not been investment, as expected, in most of businesses. Due to rising pressure of NPAs in the banking sector banks generally shunned from funding any large scale projects and followed the strategy of careful lending, which has resulted into a lesser growth in loans and advances in many banks during the year. Our Bank was also not an exception to this.

In FY 2017-18, Rate of Interest war was witnessed amongst the Banks. To face this situation, the Bank revised its existing loan schemes and unveiled new schemes based on customers' requirement. Revised Credit Rating Parameters were set to retain the borrowers and provide them better Rate of Interest.

Currently, the Bank offers wide range of loan schemes like Home Loans, SME Loans, Mortgage Loans, Car Loans, Education

Loans, Cosmo Credit Loans, etc. at very competitive and reasonable interest rates. For customer convenience, constant improvement is done in the terms and conditions applicable to these loans and its processing time. Your Bank is constantly improvising on the terms & conditions of loan schemes, its processing time etc. to make them more customer centric. As a result of focused efforts, the Retail Loan Portfolio witnessed twofold growth (200%) as compared to last year.

In the recent past, the economy has turned into a revival mode, which is expected to have a positive and satisfactory impact on credit off-take. Considering this, your Bank is strategically revising its Loan Schemes and the rate of interest which will show positive results in the near future. Considering the maximum limits allowed for single party exposure and group exposure, your Bank is fully capable to cater to the loan requirements of renowned companies and Corporate Customers.

In the year under review, the advances in priority sector stood at ₹2652.34 crore, which is 23.14% of the total advances. The advances to weaker sections make up 5.73% of the total portfolio. Your Bank is taking consistent efforts to increase the loans in these categories. Constant efforts for specifically increasing the MSME Loans and loans to priority sector and weaker sections are also taken through marketing at branch level.

Your Bank is a multistate bank with a widespread branch network in 7 states. Considering the geographical status and location of the states, the local trading/ business activity, and requirement etc., the Bank is providing state-wise customized products to its customers.



## CREDIT SUPERVISION CELL

This Cell is operational at central office, regional office and sub regional level. The cell undertakes post disbursement-monitoring of large size loans and restructuring of accounts is carried out by this cell. This cell is responsible for monitoring the restructured accounts and all high value loans post disbursement and supervise Special Mention Accounts (SMA) accounts. This section is headed by Chief General Manager, under active control and guidance of Managing Director. Similarly the same cell is operational for Gujarat Region and a process to start the said cell for Mumbai Regional has been initiated.



Identifying the deficiencies, if any, based on various parameters such as turnover, servicing of interest and instalments, submission of periodical statements, review and overdrawn / adhoc recovery position of cash credit accounts etc. is carried out by this cell and communicated to regional heads for required corrective action.

Information of borrowers under consortium / multiple banking is exchanged by this cell on quarterly basis with all related banks.

The cell undertakes stock audit exercise of borrowers availing Cash Credit limit above ₹ 500 lakhs.

This Cell is effectively monitoring Special Mention Accounts (SMA) and follows the guidelines issued by Reserve Bank for SMA. In the current year, the Bank has set additional checks for effective monitoring of high value Cash Credit accounts.

## OVERDUES & NPAs

During the year under report, the Bank has recovered ₹126.31 crore in Non Performing Accounts (NPA), Write off Accounts ₹27.45 crore i.e. a total recovery of ₹153.76 Crores.

As on 31<sup>st</sup> March, 2018, percentage of overdues was 6.15%, Gross NPA was 9.45% while the Net NPA was 7.24%.

Your Bank has set the target of achieving maximum recovery to reduce the NPAs. Your Bank has initiated all possible legal recourse like taking action under the Securitization Act, filing suit in the office of the Arbitrator under The Multistate Co-op Societies Act, application to the District Officer u/s 14 for taking possession of the property, filing a suit in the office of the Debt Recovery Tribunal (DRT) and One Time Settlement etc.

Your Bank is considering the legal provisions under section 156 of Maharashtra State Co-operative Societies Act, 1960 for recovery in the claims received under section 101 of the said Act for recovery in NPA accounts of merged banks.

For optimum recovery during the year 2018-19, organizational changes are made in the Recovery department by deputing separate General Managers for Mumbai, Gujarat, Pune, Southern and Central Region. Similarly a General Manager is appointed for Write-off Cell. To speed up the recovery processes and litigations, your Bank has appointed efficient and competent advocates.

**The particulars of the action taken by your Bank against defaulters are as follows:-**

₹ In lakhs		
As on 31.03.2018	Cases	Amount
Cases filed with the Arbitrator	82	35,401.85
Cases files under "Darkhast"	820	81,702.07
Action under Securitization		
1) Demand notice sent under section 13(2)	82	17,972.94
2) Taken possession of the Property	59	35,657.43
3) Process of Possession under progress	116	25,350.89
4) Possession taken, sale process initiated	107	61,226.37

Along with Recovery Department, Credit Supervision Cell is also working to control New NPA's. The Cell identifies the deficiencies in such accounts and communicates to regional offices for required corrective action.

The Bank anticipates positive effects of all the collective efforts taken for recovery and achieve the target of the FY 2018-19.



## CAPITAL ADEQUACY (CRAR)

As on 31.03.2018 banks Tier I capital is ₹890.46 crore and Tier II capital is ₹ 788.34 crore. As per RBI norms, a minimum CRAR ratio of 12% is mandatory for our bank. We wish to inform you that as on 31st March 2018, the CRAR of your Bank is at a satisfactory level of 13.95%.

## LONG TERM DEPOSIT SCHEME – 6

Your Bank launched the Long Term Subordinated Deposit scheme – 6 on receipt of permission from Reserve Bank of India and Central Registrar of Co-operative Societies, New Delhi. The scheme was launched to mobilize the funds to the tune of ₹145 crore. The scheme was launched on 15th March 2018 with tenure of 66 months and interest rate offered at 8.50% for both General and Senior Citizen. The Bank received an overwhelming response to the scheme and the scheme was closed within 7 days on 23rd March 2018 after successful collection of ₹144.97 crore.



## INVESTMENT & TREASURY OPERATIONS

Treasury Operations of the Bank include the important task of managing liquidity requirements on day to day basis, while managing Bank's Investment portfolio and maintaining statutory CRR/SLR requirements.

Financial Year 2017-18 witnessed sharp movements in bond market as well as in Inflation. While the lowest ever inflation of 1.54 % was registered in June 2017, it was followed by sharp rise to 5.21% upto December 2017. The rise in inflation was due to higher international prices of crude oil, possibility of more rate hikes in USA and end of easy liquidity conditions globally. In addition to above, the increasing possibility of government failing to achieve budgeted fiscal deficit, adversely impacted the Indian bond market. As a consequence the yields of the 10 year bench mark security of 6.69% at the beginning of FY 2017-18 hardened from 6.41% to 7.77% during the year, before closing at 7.40% at the close of the financial year.

In such conditions of continuously falling markets, it becomes extremely difficult to generate trading profits which can result in losses/lesser profits and can also result in incurring depreciation on the outstanding portfolio in AFS category, as rise in yields of securities means fall in prices of the securities.

Under such difficult conditions, while Bank's Treasury Department managed to earn Profit of ₹78.21 crore, it also had to provide for the Depreciation of ₹72.42 crore on the Investment Portfolio under AFS category, as on 31st March 2018.



## FOREIGN EXCHANGE OPERATION

International trade picked up in most of the developed countries lead by USA, during the year under report. On the back of the improving global trade atmosphere, the Indian exporters and importers were also seen coming out of the GST hurdles and looking for expanding their businesses. Exporter and Importer clients of the bank took advantage of the conducive business conditions and increased their cross border activities.

The improving business conditions helped bank to register total foreign exchange turnover of ₹14307 crore in FY 2017-18 as against the previous year's figure of ₹10011 crore. NRI Deposits of your Bank stood at ₹171 crore at the end of the FY 2017-18.



## AUDIT & INSPECTION

In the Annual General Meeting dated 24th September 2017, M/s Yardi Prabhu and Associates LLP Mumbai, M/s G. D. Apte and Co., Pune and M/s Kirtane and Pandit, LLP Pune were jointly appointed as Statutory Auditors for the F.Y. 2017 – 18. They have audited all our branches and departments of Head Office and certificate of the same is given in this Annual Report.

The Bank is fully operational under Core Banking System (CBS). From security point of view, M/s MVL Consulting Pvt. Ltd. is appointed as System Auditors for F.Y. 2017 – 18. They have completed their audit and submitted the report thereof. The Bank's IT professionals carried out the inspection of the IT infrastructure at branches.



## INTERNAL AUDIT & VIGILANCE

To oversee the day to day banking operations of branches, an internal audit and a robust vigilance cell is active in all the regional offices of the bank.



## HUMAN RESOURCES

The Bank has the legacy to provide the “Best customer service” rendered by the employees of the Bank. Management of the Bank emphasizes to develop the skills of the employees in order to provide best services in any situations.

The Staff is always ready to adopt the modern banking technology. This helped to implement the new system of Finacle 10 in the Bank.

Main motive of the Bank is to develop the employee skills and take efforts for their progress which helps the staff to be capable to take the future challenges and give better output.

The Bank is striving to provide work life balance to its staff especially female employees in order to reduce stress. As an endeavor and extension to various facilities to its staff, the Bank has formed Counselling Committee to understand and resolve their issues.

Performance evaluation of employees is done on periodical basis. so as to motivate them to improve their performance by optimum use of their capabilities and ultimately to achieve targets.

The Banks staff strength is 2474 as of 31.03.2018 (which includes 1164 officers and 1270 other staff). 335 candidates were outsourced.

Bank is successful in maintaining cordial relations with the members of Cosmos Bank Sevak Sangh and peaceful industrial relations throughout the year under review for the progress of the Bank.

Your Bank has approved a policy in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and all the required procedures are being regulated in your Bank for distress free environment for the women employees in the Bank. Further, internal committees are established for the redressal of any

such complaints. Till date no such complaint has been filed by the women employees to the said committee.



## COSMOS CENTRE OF EXCELLENCE



Cosmos Centre of Excellence is a centralized training platform that provide various learning and development opportunities to the employees. The centre is equipped with all the required infrastructure. The training sessions are conducted at different locations in various training centres & regional offices of the Bank. With the help of which every efforts were made to upgrade the skills and capabilities of the staff.

Total No. of 88 in-house training programs, covering 2317 employees were conducted across India on different topics like Stress Management through Spiritual Intelligence, Soft Skills, Special program arranged for Loans and CASA and programs related to Domain knowledge of various banking functions.

Employees were also deputed to the training programs arranged by renowned training institutes like College of Agricultural Banking – RBI, IDRBT – Hyderabad, Indian Institute of Training and Development – Pune and Indian Bank’s Association – Mumbai.

Various training programs on Credit Monitoring and Loans in various regions of the Bank were conducted so as to increase the proficiency of the staff members.



## RISK MANAGEMENT

Risk Management is a key factor in ensuring the stability and development of your Bank’s business considering the current economic conditions, contagion impact of various global events and inter-linkages between financial markets. It has become a regulatory compliance requirement which aims to make the banking sector more robust and self-evolving. Hence, your Bank has developed a roadmap for implementing effective Risk Management Policies across the organisation and working towards building a ‘Risk Awareness’ culture in all its day-to-day activities. The Risk Management Portfolio has identified 16 business risks relevant to your Bank, including Operational Risk, Credit Risk, Financial Risk and Information Security Risk.

An approved Risk Management Policy and Framework guides all the risk management initiatives which are undertaken by the Bank. It acts as a basis for specific risk policies like Operational Risk Policy, Principal Risk Policy, ALM Policy, Business Continuity Policy (BCP), Information Security Policy, etc. are developed and implemented across your Bank. The monitoring and reporting of the Risk Management Policy compliance is through specific committees like Operations, Technology and Risk (OTR) Committee, ALCO Committee, BCP Committee, Information Security Committee etc.

Apart from the aforesaid Risk Management initiatives, the department is also involved in overseeing activities pertaining to Information Security Risk which includes creating Cyber Security Awareness for staff as well as customers in the form of Newsletters, Posters etc. Your Bank also undertakes Information System (IS) Audit of Bank's Data Center and Disaster Recovery Site to mitigate IT Risk and to ensure that the Information Systems in use are being managed prudently.



### CURRENCY CHEST

Cosmos Bank's Currency Chest has completed four successful years of operations.

Currency Chest is providing fresh and sorted currency notes and coins to all the branches of the Bank in Pune-Mumbai & and nearby areas. It is also contributing towards detection and impounding of forged notes and removing soiled notes from circulation by sorting & and remitting the soiled notes to RBI.

In the last financial year 2017-18, Currency Chest has actively participated in educating the customers by conducting 5 Public Awareness Trainings Programmes at Pune and Mumbai on the special occasion of Cosmos Bank's 112<sup>th</sup> Anniversary and also conducted 12 (Twelve) Soiled Notes and Coins Exchange Melas at various branches.

During the Financial Year 2017-18, total cash turnover handled by the Currency Chest is ₹3,147.84 crore.



### BANKING CODES AND STANDARDS BOARD OF INDIA (BCSBI)

Your Bank is a member of Banking Codes and Standards Board of India (BCSBI). Your Bank is committed to follow the prescribed norms under BCSBI

These codes prescribe minimum standards of customer service such as time, standards, prescribed forms, etc. Adherence to these codes has facilitated the bank to provide better customer service. The codes are also available on the bank's website for customer information.

Annual report of adherence to various provisions of codes is submitted annually to Banking Codes and Standards Board of India (BCSBI).



### INSURANCE

The Insurance Regulatory and Development Authority of India (IRDA) has allowed banks to enter into multiple tie-up arrangements for Bancassurance business. Previously, the banks were allowed to sell life products and non-life products from a single insurance company only.

In line with IRDA guidelines, your Bank has entered into multiple tie-up arrangements with 3 Insurance Companies.

Moreover, multiple tie-up arrangements has ensured that customers have access to multiple products and can choose the suitable product as per their requirement.

### COSMO-CARE

Cosmo Care scheme was launched on the occasion of your Bank's 112<sup>th</sup> anniversary i.e. on January 18, 2018. Cosmo Care is a new saving account scheme clubbed with a fixed deposit. This scheme aims at taking care of our customer's financial needs during medical emergency. During the case of medical emergency, Cosmo Care fixed deposit is liquidated immediately based on SMS received from hospital and confirmation of SMS from customer. The Bank has made tie-ups with various reputed hospitals.



### FINANCIAL INCLUSION

In accordance with the RBI guidelines to offer Banking services to economically weaker sections of the population, your Bank is working in Financial Inclusion field since March, 2011. Nearly 1440 Self Help Groups have opened their Savings Accounts in your Bank and almost 14400 Group members are linked to our bank through this project. The Bank is providing basic and vocational training to these Bachat Gat.

The Bank had successfully launched new SHG loan scheme. This scheme is specially designed for SHG members. In this financial year, your Bank has disbursed the loan of ₹86.29 lakh to 51 SHG groups in Pune and Jalgaon - Bhusawal Area.

Under Micro Finance loan scheme, your Bank has started Joint Liability Group (JLG) Project in March 2016. The aim of this project is to disburse loans to financially unorganized people in the society. The minimum loan amount fixed under this scheme is ₹20,000/- & and the maximum is ₹50,000/ and initially your Bank is disbursing loan of ₹26,000/- to each member. The period of loan is 2 to 3 years. The ROI is 24% p.a. Your Bank has successfully disbursed JLG loans to 279 Joint Liability Groups i.e. 2492 JLG members of ₹647.92 lakh in the areas of Ganesh Nagar, Nigdi, Sangli, Ahmednagar & Nashik Repayment of both the types of loans is regular.

## FINACLE 10.X CORE BANKING UPGRADE

Your Bank has upgraded its Core Banking Solution from 7.x to 10.x. and has successfully implemented this new system on 10th July, 2017. This transformation initiative has enhanced the operational efficiency for processing RTGS / NEFT, IMPS (Inter Bank Mobile Payment System), IM Banking, UPI (Unified Payment Interface), AEPS (Aadhar Enabled Payment System) and helped in enhanced customer service.

## PASSBOOK PRINTING KIOSK

Passbook Printer Kiosk is successfully implemented on pilot basis at the Kothrud branch. This will enable the customers to print the passbook on their own and thereby save on time of the customer and the employees also. Considering the convenience of the said machine, we are planning to roll out the Kiosks in other branches.

## E-KYC

It is necessary to scrutinise the documents submitted by the customers as Proof of identity and Proof of Address at the time of opening an account. Your Bank has started e-KYC facility for its customers. Under this facility the customers can submit the KYC information to the Bank electronically through their fingerprints and One Time Password (OTP) received on their mobile and they need not submit the KYC every time. This facility is linked with Aadhaar Card.

Your Bank has made available separate Portal for the convenience of the customers to update any changes in their Mobile No. or email id registered with the Bank.

## BANK'S OWN SUBSIDIARY – COSMOS E-SOLUTIONS AND SERVICES PVT. LTD.

Cosmos eSolutions and Services Pvt. Ltd. is carrying out development of various I.T. Systems and maintenance of the same and apart from Cosmos Bank this subsidiary company is providing services to more than 30 Financial Institutions for development of various I.T. Systems and its maintenance.

During the year under report, the company has developed a new IM Banking Application wherein the customers can access both (Internet Banking and Mobile Banking) on the same platform by using same user ID and password. ATM switching facility is made available by the company to other banks as per the rules and regulations of NPCI.

The company has invested in development of Unified Payment Interface Platform – UPI in order to increase the use of Cashless transactions and financial inclusion which is part of the Digital India Project.

IT giant “Infosys” has announced Cosmos e-Solutions & Services Pvt. Ltd. as its “Implementation Partner” for their World class Core Banking Software, Finacle and the company has started working on it. The company is able to provide finacle system in the form of a concept called as ‘Bank in a Box’ technology to the banks with the help of its staff having knowledge and a decade old experience in the banking and I.T. industry. The company has received orders from 3 Urban Co-operative Banks to implement this technology.

During the year under report, this subsidiary company has earned Net Profit of ₹2.22 crore and company has paid the dividend of ₹ 25.00 lac at the rate of 100% to the Bank.

The company has received the following awards

1. Payment Card Industry Data Security Standards Certification for cardholder's data security. (PCIDSS)
2. Financial Express Award for Tab Banking Product.



## SEVAK KALA KRIDA AND OTHERS

1. The Bank's cricket team participated in PDCA Late Sadu Shinde League 2017. The Bank's team outperformed in 5 matches and won 3 matches securing 3<sup>rd</sup> position in the league.
2. The Bank's cricket team also participated in the PDCA Summer League 2018 organized by PDCA wherein the Bank's cricket team secured the 2<sup>nd</sup> position by winning 3 matches and excellent performance in 4 matches.

## ANNIVERSARY

On the occasion of Bank Anniversary on 18<sup>th</sup> January 2018, Cosmos Bank Sevak Sangh had arranged Blood Donation Camp at the Cosmos Tower. In the evening, traditional 'Tilgul Samarambha' was arranged. On this occasion, 'Cosmo Care' saving account scheme was announced.

## BRANCH SHIFTING:

For the purpose of improved customer service and customer convenience Nagpur and Annapurna- Indore branches are shifted to better premises.

Annapurna Indore Branch - 31<sup>st</sup> May 2018

Nagpur Branch - 14<sup>th</sup> June 2018

## BANK'S RECOGNITION

1. Your Bank has received the prestigious and coveted IDRB Banking Technology Excellence Award, for the year 2016-17 at the auspicious hands of Mr. B P Kanungo, Deputy Governor, Reserve Bank of India.
2. Your Bank's Data Centre received world renowned ISO 27001 certification.
3. Your Bank's received IT Innovation & Excellence Award from The Computer Society of India (CSI).
4. "Infosys" the world leader in developing the Core Banking Systems has awarded your Bank for developing the system namely TABBANC. Further, Infosys awarded your Bank for developing innovative utilities by using the latest technology and thereby offering the customer service through Finacle.

5. A Special award is received from NSDL for your Bank's rich legacy of 112 years and its incredible contribution in the Urban Co-operative Banking sector.
6. Our Depository Service Cell has received the NSDL Star Performer Award 2017 for having opened maximum new Demat accounts during the year by NSDL. Your Bank has received this award for the 4<sup>th</sup> consecutive year.

## DIRECTOR'S ACHIEVEMENTS

1. Bank's Director Mr. Krishnakumar Goyal
  - Selected as Senior Vice President for Akhil Bhartiya Agarwal Gathering, 2018.
  - Appointed as Vice president for Pune Festival 2018.
2. Bank's Director Mr. Rajeev Sabade
  - Appointed as a Chancellor's nominee on the Senate of the Savitribai Phule Pune University.
  - Selected as a member on the Committee of Maharashtra Chamber of Commerce, Industries & Agriculture (MCCIA).

## SENIOR OFFICER'S ACHIEVEMENT

Ms. Arti Dhole - Bank's IT Head and Managing Director of your Bank's subsidiary Company, has received the following awards -

1. Cooperative Banking Award in Leadership Category for Best IT Head for the year 2016-17 by Banking Frontiers. This award has been given for providing new age IT Services to your Bank and thereby enhancing the business of your Bank.
2. "CIO of the year Award" from The Computer Society of India (CSI).

## CORPORATE GOVERNANCE (AS PER PREVIOUS REPORT)

During the year under report, following committees of Directors of the Board were operational to oversee the day to day work, sanctioning of loans and policy matters

01. Hon. Executive Committee	06. Hon. Fraud Monitoring Committee
02. Hon. Pune Region & Central & Southern Region Loan & Recovery Committee	07. Hon. Asset Management Committee
03. Hon. Mumbai & Gujarat Region Loan & Recovery Committee	08. Hon. Development & Member Relation Committee
04. Hon. Audit Committee	09. Hon. Staff Committee
05. Hon. Investment & Foreign Exchange Committee	10. Hon. Financial Inclusion Committee

During the year under report, 34 meetings of Board of Directors and 135 meetings of the Sub-committees were held. Following are the attendance details of the same.

Name of Director	Meetings of Board of Directors		Meetings of Sub- Committees	
	Total No. of Meetings	Attendance	Total No. of Meetings	Attendance
1. Mr. Milind Kale	34	34	135	116
2. Mr. Govind Kshirsagar	34	33	74	69
3. Dr. Mukund Abhyankar	34	28	33	27
4. Dr. Smita Jog	34	24	49	36
5. Mr. Krishnakumar Goyal	34	24	60	43
6. Adv. Jayant Shaligram	34	27	48	30
7. Mr. Prakash Joshirao	34	13	35	0
8. Mr. Sunil Sabnis**	34	25	42	34
9. Mr. Rajeev Sabade	34	32	21	21
10. Adv. Pralhad Kokare	34	33	61	60
11. Adv. Shripad Panchpor	34	27	68	58
12. Mr. Jitendra Shah	34	21	30	22
13. Mr. Madhukar Atre*	11	09	20	16

\* On 18th July, 2017 Bank's Vice-Chairman & Senior Director Mr. Madhukar Atre passed away.

\*\* Mr. Sunil Sabnis has resigned from the director's post and his resignation was approved on 27<sup>th</sup> March 2018.

## MEMBERSHIP

During the year under report 5333 new Members including individual & institutional members were enrolled as members. Whereas due to resignation & other reasons 2191 members were reduced from the member list. Thus, as on 31<sup>st</sup> March 2018 total Members of the Bank were 78815.



## KYC AND AML

The Bank is complying with all the guidelines related to KYC & AML issued by RBI from time to time. To ensure 100% KYC compliance new savings and current accounts are opened through 2 Account Opening Cells. Thorough scrutiny of Account Opening Forms and KYC documents are done at these cells and such documents are scanned through Document Management System (DMS) to maintain permanent record of such documents.

Further as per RBI guidelines, risk categorization of all the accounts is done and assigned risk is updated from time to time as per changes in the customer's profile, turnover in the account, etc. Accounts are monitored as per risk allocation. The KYC documents of High, Medium and Low Risk customers are updated at periodic intervals as per prescribed guidelines of the RBI in this regard.

RxAML (Anti Money Laundering Software) is used for screening of names, uploading statutory reports to FIU-IND and through this software various reports and transaction monitoring alerts are generated.

The Bank had submitted all the statutory returns such as Cash Transaction Report (CTR), Non-Profit Organization Transaction Report (NTR), Counterfeit Currency Report (CCR) and Cross Border Wire Transfer (CBWT) within the prescribed time limit to Financial Intelligence Unit – India (FIU-IND) as per PMLA guidelines.

Continuous training regarding KYC & AML is imparted to the staff which helps in increasing alertness while working in the Bank.

As per PMLA Act and RBI guidelines, data and image of KYC documents of all new accounts opened of individual customers are to be uploaded on CKYC portal of CERSAI and CERSAI issues 14 digit KYC identifier number to customer and your Bank has initiated the said process. By providing KYC identifier number to any financial institution, the customer is not required to submit the KYC documents.

Your Bank is registered as Authentication User Agency (AUA) and KYC User Agency (KUA). The Bank is doing online verification (authentication) of Aadhaar through e-KYC service from UIDAI for our customers through OTP, Biometric and Demographic.

## DETAILS OF THE LAST THREE ANNUAL GENERAL MEETINGS

<b>1. Financial Year 2014-15</b>	
Date and Venue :	Saturday, 26th September 2015 Shivshankar Hall, Maharshinagar, Pune – 411037.
Specific directives accepted in the Meeting	<ol style="list-style-type: none"> <li>1. Amendment suggested in the bye-laws of the Bank / new bye-laws accepted viz. sub-clause 4(xx)(a), 6(a)(ii)(m), 6(aa), 6(a)(vi), 6(b)(ii), 6(b)(v,vi), 15(i), 19(xvi,xvii), 24(i), 28(i), 28(ii),(iv), 31(iii) and 38(xv).</li> <li>2. For the FY 2015-16 M/s. P. G. Bhagwat, Chartered Accountants, Pune &amp; M/s. G. D. Apte and Company, Chartered Accountants, Pune were appointed as Statutory Auditors.</li> <li>3. Sanction was given for disbursement of dividend @ 10% for 2014-15.</li> </ol>
<b>2. Financial Year 2015-2016</b>	
Date & Venue	Thursday, 29th September, 2016 Shivshankar Hall, Maharshinagar, Pune – 411037.
Specific directives accepted in the meeting	<ol style="list-style-type: none"> <li>1. Appointment of M/s. G. D. Apte and Company and M/s. Yardi Prabhu &amp; Associates as Statutory Auditors for the year 2016-17.</li> <li>2. Sanction was given for disbursement of dividend @ 10% for 2015-16 subject to RBI approval.</li> </ol>
<b>3. Financial Year 2016 – 17</b>	
Date & Venue	Sunday, 24th September, 2017 Shivshankar Hall, Maharshinagar, Pune – 411037.
Specific directives accepted in the meeting	<ol style="list-style-type: none"> <li>1. Appointment of M/s. Yardi Prabhu &amp; Associates LLP, Mumbai, M/s. G. D. Apte and Company and M/s. Kirtane Pandit, LLP, Pune as Statutory Auditors for the year 2017-18.</li> <li>2. Pursuant to the RBI Insepection and RBI's permission, the BoD appealed to the general body to accord its approval to submit a request application to RBI to declare dividend out of remaining profit of ₹ 41.16 crore after making all the statutory provisions from the total profit of ₹ 71.73 crore, and / or out of Reserves and to do the necessary follow-up in this regard.</li> </ol>

## OBITUARY

Bank mourns the demise of persons associated with the Bank, staff, members / customers and well-wishers during the year under report.

## BANK VISITS

During the year under Report various renowned personalities graced our Bank with their visit. The prominent personalities amongst them were:-

1. Shri. Nitin Gadkari, Hon'ble Minister for Road Transport & Highways,
2. Shri. C. Vidyasagar Rao, Hon'ble Governor of Maharashtra State,
3. Shri. Kiran Gitte, IAS, Metropolitan Commissioner, Pune
4. Shri. Dilip Gandhi, Hon'ble MP and Chairman, Nagar Urban Bank

5. Shri. Nitin Karmalkar, Vice Chancellor, Savitribai Phule Pune University
6. Shri. Laxmikant Deshmukh, President, Marathi Sahitya Sammelan 2018, Baroda

## GRATITUDE

We express sincere gratitude towards, Central Registrar, Agriculture and Co-operatives Department, Government of India, New Delhi and all the officials therein, all officials of Reserve Bank of India, Commissioner of Co-operatives and the officials of the states of Maharashtra, Madhya Pradesh, Karnataka, Gujarat, Tamil Nadu, Andhra Pradesh and Telangana.

We express gratitude for the guidance offered by our Internal, Concurrent and Statutory Auditors during the year under review.

Cosmos Bank Sevak Sangh plays an important role in the Bank. Gratitude to the office bearers and members of Cosmos Bank Sevak Sangh.

Last but not the least, heartfelt gratitude for the support by all the esteemed members, depositors, customers, executives and staff of the Bank during the year under report.

For and on Behalf of the Board of Directors



**Milind Kale**  
Chairman

Date: 10<sup>th</sup> August, 2018

Please Note: The Marathi version will be held authentic for all interpretations.

## APPEAL TO ALL MEMBERS

1. Please notify any change in your mailing address immediately.
2. In order to ensure security of account balance and also to notify customers of various new schemes, SMS facility is available. You are therefore requested to register your mobile numbers and email IDs with your home branch.
3. As per the provisions of Multistate Co-op Societies Act, if a member of Multistate Co-op. Society remains absent for three consecutive Annual General Meetings and if leave is not granted for such absence by Annual General Meeting, his membership automatically stands cancelled. Members should take note of this and attend the meetings. Otherwise they should intimate in writing their inability to attend.
4. To link your Aadhaar Number to your account held with the Bank, promptly inform your Aadhaar Number to your home Branch.

## VARIOUS SERVICES OFFERED

Internet Banking - Mobile Banking (IM Banking)	Aadhaar Enabled Payment System (AePs)	eKYC
Point of Sale (POS)	Direct Benefit Transfer of LPG Subsidy (DBTL)	Demat – Mutual Fund
General & Life Insurance	Pradhan Mantri Jivan Jyoti Bima Yojana	Pradhan Mantri Suraksha Bima Yojana
Pan Card	E-Tax Payment	Universal Bill Pay
Forex Services	Aadhaar Payment Bridge System and National Automated Clearing House (APBS / NACH)	RTGS / NEFT
Bulk Remittance for Corporate Customers	Missed Call Service for Balance Enquiry	UPI (Unified Payment Interface)

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

AS AT 31 <sup>ST</sup> MARCH 2017 ₹	No. क्र.	CAPITAL AND LIABILITIES कर्जे व देणी	SCH	AS AT 31 <sup>ST</sup> MARCH 2018 ₹
3,829,606,000.00	1.	Capital / भांडवल	A	3,716,380,200.00
14,504,101,714.84	2.	Reserve Fund and Other Reserves / गंगाजळी व इतर निधी	B	16,124,462,885.65
---	3.	Principal and Subsidiary State Partnership Fund Account शासनाची प्रमुख अथवा सहाय्यकारी भागिदारी निधी		—
156,491,581,171.74	4.	Deposits and Other Accounts / ठेवी व अन्य खाती	C	149,324,977,453.40
7,317,852,508.33	5.	Borrowings / कर्जे	D	6,845,112,000.00
2,779,054,707.00	6.	Bills for Collection Being Bills Receivable (As per Contra) वसुली स्विकारलेली बिले (दुबेरजीप्रमाणे)		3,269,859,711.25
—	7.	Branch Adjustments / शाखा मिळवणी		228,496,975.80
2,145,235,810.60	8.	Overdue Interest Reserve / थकबाकी व्याज तरतुद On Non-Performing Advances / अनुत्पादित कर्जावरील		2,261,719,056.19
6,410,135.51	9.	Interest Payable / व्याज देणे		4,994,797.77
5,223,588,779.07	10.	Other Liabilities / इतर देणी	E	4,872,259,038.22
30,515,775.00	11.	Merged Banks Collection Account Payable विलीनिकरण झालेल्या बँकांचे कलेक्शन अकौंट पेएबल	F	26,130,085.00
827,111,710.03	12.	Profit and Loss Account / नफा-तोटा खाते	G	243,257,416.77
		NOTES ON ACCOUNTS	R	
193,155,058,312.12		TOTAL		186,917,649,620.05
3,429,375,134.00		SECURITIES PURCHASED UNDER REPO/LAF(CONTRA)		5,675,197,644.61
		Contingent Liabilities : संभाव्य देणी		
5,635,330,691.96		Bank Guarantees बँक हमी		6,717,571,860.38
4,044,126,437.18		Letters of Credit Issued लेटर ऑफ क्रेडिट		4,360,195,382.44
1,707,912,470.37		Forward Exchange Contracts Purchase/Sale फॉरवर्ड एक्सचेंज कॉन्ट्रॅक्ट परचेस / सेल		2,369,495,938.40
264,992,448.52		Others: Depositor Education & Awareness Fund इतर: ठेवीदार शिक्षण आणि जाणिव निधी		293,297,186.92

Notes on accounts form part of accounts  
As per our Report of even date

Signature to the Accounts including Schedules and Notes on Accounts

(Sudhan Yardi) Partner

M.no. 22887

(Statutory Auditor)

For M/S. Yardi Prabhu & Associates LLP

Chartered Accountants

F.R.NO.111727W/ W100101

Place : Pune

Date : 28/07/2018

(Saurabh Peshwe) Partner

M. No: 121546

(Statutory Auditor)

For M/S. G.D. Apte & Co.

Chartered Accountants

F.R.NO.100515W

(Sandeep Welling) Partner

M. No. 44576

(Statutory Auditor)

For M/s. Kirtane & Pandit LLP

Chartered Accountants

F.R.NO.105215W/W100057

## ३१.३.२०१८ अखेरचा ताळेबंद

AS AT 31 <sup>ST</sup> MARCH 2017 ₹	No. क्र.	PROPERTY AND ASSETS जिंदगी व येणे	SCH	AS AT 31 <sup>ST</sup> MARCH 2018 ₹
7,394,670,204.43	1.	Cash and Bank Balances / श्री शिल्लक व बँकेतील शिल्लक	H	7,820,146,673.12
1,918,115,058.42	2.	Balances With Other Banks / इतर बँकातील शिल्लक	I	2,472,865,505.55
1,300,000,000.00	3.	Money at Call and Short Notice (Lending under Reverse REPO/LAF) / मागणीकरताच मिळणाऱ्या वा अल्प नोटीशीने मिळणाऱ्या ठेवी		2,000,000,000.00
50,566,988,182.07	4.	Investments / गुंतवणूक	J	47,733,834,129.93
114,610,975,149.33	5.	Advances / कर्जे	K	107,709,317,896.52
909,591,437.30	6.	Interest Receivable / व्याज येणे Interest on Deposits & Securities ठेवी व रोख्यांवरील व्याज		885,935,338.00
2,145,235,810.60		Overdue Interest on Loans & Advances कर्जखात्यांवरील थकित येणे व्याज		2,261,719,056.19
170,412,026.42	7.	Branch Adjustments / शाखा मिळवणी		—
2,779,054,707.00	8.	Bills receivable being Bills for Collection(As per Contra ) वसुलीसाठी पाठविलेली बिले (दुबेरजीप्रमाणे)		3,269,859,711.25
6,327,494,646.93	9.	Fixed Assets (Gross Block Less Accumulated Depreciation) / कायम जिंदगी	L	6,612,732,215.49
4,523,740,718.87	10.	Other Assets / इतर येणी	M	5,250,053,970.42
387,416,400.00	11.	Non Banking Assets Acquired in Satisfaction of Claims कर्ज फेडीत बँकेने खरेदी केलेल्या मिळकती		392,640,824.84
72,951,999.00	12.	Deferred Tax Asset / डिफर्ड टॅक्स असेट		469,784,000.00
48,411,971.75	13.	Goodwill A/C - Merged Banks गुडविल खाते - विलीनिकरण बँका		38,760,298.74
193,155,058,312.12				186,917,649,620.05

**Milind A. Kale**  
Chairman

**Govind R. Kshirsagar**  
Vice Chairman

**Suhas S. Gokhale**  
Managing Director

### Directors

**Mukund L. Abhyankar**  
**Pralhad B. Kokare**

**Smita V. Jog**  
**Shripad D. Panchpor**

**Krishnakumar Goyal**  
**Jitendra B. Shah**

**Rajeev B. Sabade**

**Archana V. Joshi**  
Asst. General Manager

**Umesh C. Datar**  
(Staff Representative)



## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31-3-2018

31-3-2017 ₹	No. क्र.	EXPENDITURE खर्च	SCH		31-3-2018 ₹
12,480,383,434.98	1.	Interest on Deposits, Borrowings etc. डेवी व कर्जावरील दिलेले व्याज			10,995,602,338.81
1,673,881,573.15	2.	Salaries, Allowances, PF Contribution & Gratuity etc. / पगार, भत्ते, प्रॉ. फंड, वर्गणी आणि ग्रॅच्युइटी इ.			1,579,933,015.76
592,565.00	3.	Directors Fees & Allowances / संचालक मंडळी व भत्ते			1,248,000.00
621,226,085.86	4.	Rent, Taxes, Insurance, Light etc. / भाडे, कर, विमा व वीज इ.			589,965,152.29
1,917,187.00	5.	Legal Charges / कायदेशीर सल्ल्याबाबत मुशाहिरा			1,262,201.50
48,285,775.20	6.	Postage, Telegram & Telephone / टपाल, तार व टेलिफोन			56,243,363.76
25,671,257.41	7.	Auditors Fee / आयव्यय निरीक्षक फी			21,739,497.14
356,273,335.84	8.	Depreciation, Repairs, Maintenance to Bank's Property / इमारत, फर्निचर, कॉम्प्युटर्स इ. वरील झीज व दुरुस्ती खर्च			402,932,685.99
88,423,435.20	9.	Stationery, Printing, Advt. Sadil etc. लेखन साहित्य, छपाई, जाहिरात, सादिल इ.			87,524,199.99
117,960,404.05	10.	Amortisation of Premium on Securities अमोर्टायझेशन ऑफ प्रिमियम ऑन सिक््युरिटीस्			154,557,237.21
528,694,703.39	11.	Other Expenditure / इतर खर्च	O		533,641,834.03
2,113,978,499.10	12(i).	Provision For Assets / असेट्ससाठी तरतूद	P		3,239,366,570.61
10,431,426.38	12(ii).	Reserve For Infrastructure & Housing Development / पायाभूत सुविधा व गृहविकास तरतूद			—
2,625,485,591.83	13.	Bad Debts Written off / बुडीत कर्जे राइट ऑफ			2,097,535,286.33
1,158,388,859.11	14.	Profit before Tax / कर आकारणी पूर्व नफा			—
330,000,000.00	15.	Income Tax / आयकर		150,000.00	
—		Income Tax Earlier Years (Excess)/Short आयकर मागील वर्षी		6,247,878.00	
111,065,594.00		Add /(Less): Deferred Tax / डिफर्ड टॅक्स		(323,225,284.00)	(316,827,406.00)
717,323,265.11	16.	Profit after Tax / नक्त नफा			—
717,323,265.11	17.	Net Profit carried Forward नक्त नफा ताळेबंदाकडे वर्ग			—
		NOTES ON ACCOUNTS	R		
21,851,594,133.50		TOTAL			19,444,723,977.42
—		Net Loss Brought Forward			657,302,775.00
717,323,265.11		Net Surplus Carried To Balance sheet			66,932,334.46
717,323,265.11		TOTAL			724,235,109.46

Notes on accounts form part of accounts  
As per our Report of even date

Signature to the Accounts including Schedules and Notes on Accounts

(Sudhan Yardi) Partner  
M.no. 22887

(Statutory Auditor)

For M/S. Yardi Prabhu & Associates LLP

Chartered Accountants

F.R.NO.111727W/ W100101

(Saurabh Peshwe) Partner  
M. No: 121546

(Statutory Auditor)

For M/S. G.D. Apte & Co.

Chartered Accountants

F.R.NO.100515W

(Sandeep Welling) Partner  
M. No. 44576

(Statutory Auditor)

For M/s. Kirtane & Pandit LLP

Chartered Accountants

F.R.NO.105215W/W100057

Place : Pune

Date : 28/07/2018

## ३१-३-२०१८ अखेरचे नफा-तोटा पत्रक

31-3-2017 ₹	No. क्र.	INCOME उत्पन्न	SCH	31-3-2018 ₹
15,906,528,250.16	1.	Interest & Discount व्याज व कसर	Q	14,602,466,277.82
2,290,580,877.48	2.	Profit On Sale Of Securities (Net) रोखे विक्रीवरील नफा		961,049,595.59
581,698,123.32	3.	Commission / कमिशन		697,853,715.72
61,670,880.98	4.	Exchange / हंडणावळ		47,935,945.67
61,543,288.38	5.	Interest Recovery On NPAs Written Off राइट ऑफ केलेल्या अनुपादित कर्जावरील व्याजाची वसुली		14,276,603.91
	6.	Other Receipts / इतर जमा		
62,071.00	a)	Rent / भाडे	62,072.46	
674,703.57	b)	Share Transfer Fee, Form Fee etc. भाग वर्ग, फॉर्म फी इ.	1,043,306.14	
54,478,823.00	c)	Locker Rent / लॉकर भाडे	54,946,436.30	
578,453.12	d)	Other Income / इतर उत्पन्न	526,205.37	
10,117,327.76	e)	Depository Income / डिपॉझिटरी उत्पन्न	10,633,638.22	
175,420,619.34	f)	Principal Recovery in NPAs Written off. राइट ऑफ केलेल्या अनुपादित कर्जामधील मुदलाची वसुली	250,598,569.44	317,810,227.93
25,283,926.31	7.	Profit On Sale Of Properties / Other Assets इमारती विक्रीवरील नफा		20,425,876.44
25,553,500.73	8.	Excess Provision For Merged Bank Losses Written Back / विलीन बँकेची जादा तरतूद परत जमा		9,651,673.01
31,917,696.52	9.	Recovery Collection A/C W/Back रिकव्हरी कलेक्शन खात्यामधून जमा		—
—	10.	Excess Provision For Standard Assets Written Back		18,416,000.00
2,625,485,591.83	11.	B.D.D.R Written Back / बुडीत व संशयित कर्ज निधीतून जमा		2,097,535,286.33
—	12.	Loss Before Tax		974,130,181.00
—	13.	Loss After Tax		657,302,775.00
—	14.	Net Loss		657,302,775.00
21,851,594,133.50		TOTAL		19,444,723,977.42
717,323,265.11		Net Profit Brought Forward		—
—		Transfer From Reserve For Unforeseen Losses		724,235,109.46
717,323,265.11		TOTAL		724,235,109.46

**Milind A. Kale**  
Chairman

**Govind R. Kshirsagar**  
Vice Chairman

**Suhas S. Gokhale**  
Managing Director

### Directors

**Mukund L. Abhyankar**  
**Pralhad B. Kokare**

**Smita V. Jog**  
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**Krishnakumar Goyal**  
**Jitendra B. Shah**

**Rajeev B. Sabade**

**Archana V. Joshi**  
Asst. General Manager

**Umesh C. Datar**  
(Staff Representative)

## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
10,000,000,000.00	<b>SCHEDULE-"A"</b> <b>CAPITAL</b>		10,000,000,000.00
	<b>A) Authorised Capital</b> 100000000 Shares of ₹100/- each अधिकृत भांडवल (प्रत्येकी ₹१००/- प्रमाणे)		
3,829,606,000.00	<b>B) Issued, Subscribed and Paid-up :</b> <b>वसूल भागभांडवल</b> <b>Shares of ₹ 100/- each fully paid:</b> <b>held by :</b> Individuals : 27882531 Others : 9281271	2788253100.00 928127100.00	3,716,380,200.00
3,829,606,000.00			3,716,380,200.00
	<b>SCHEDULE-"B"</b> <b>RESERVE FUND &amp; OTHER RESERVES</b> <b>गंगाजळी व इतर निधी</b>		
2,585,874,428.37	1) Statutory Reserve Fund / गंगाजळी	2,771,022,301.37	
1,224,662,052.30	2) Building Fund / इमारत निधी	1,224,662,052.30	
2,478,210,792.75	3) Reserve for Bad & Doubtful Debts बुडीत व संशयित कर्ज निधी	2,908,860,603.51	
—	4) Provision for Restructured Assets	37,915,316.65	
390,383,063.00	5) Contingent Provision for Standard Assets स्टॅंडर्ड असेट्सवरील संभाव्य तरतूद	371,967,063.00	
393,201,463.14	6) Contingent Provision against depreciation in Investments / गुंतवणूक घसान्यासाठी संभाव्य तरतूद	1,294,754,620.01	
105,025.00	7) Provision for Investment Diminution / रोखे अवमूल्यन निधी	105,025.00	
861,584,323.22	8) Investment Fluctuation Reserve रोखे अवमूल्यन निवारण निधी	861,584,323.22	
48,411,971.75	9) Provision for Ahmedabad Co-op. Bank Losses (Since Amalgamated) अहमदाबाद बँकेचा तोटा व तरतूदीसाठी राखीव	38,760,298.74	
3,626,348.88	10) Staff Development Fund / सेवक विकास निधी	3,855,927.92	
31,513,838.32	11) Member Child Education Fund सभासद पाल्य शिक्षण निधी	33,823,802.67	
67,612.28	12) Social / Member Commitment Reserve सभासद / सामाजिक बांधिलकी निधी	72,568.26	
—	13) Staff Death Benevolent Fund	2,500,000.00	
4,156,387,343.19	14) Revaluation Surplus / इमारत पुनर्मूल्यांकन निधी	4,600,811,287.36	
94,267,154.34	15) Reserve For Infrastructure & Housing Development / पायाभूत सुविधा व गृहविकास निधी	94,267,154.34	
889,559,275.85	16) Reserve for Unforseen Losses आकस्मिक तोट्यासाठी राखीव निधी	237,056,496.39	
970,344,825.68	17) General Reserve / सर्वसाधारण निधी	1,266,541,848.14	
375,902,196.77	18) ARC Surplus Fund/ एआरसी सरप्लस फंड	375,902,196.77	16,124,462,885.65
14,504,101,714.84			16,124,462,885.65

## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
	<b>SCHEDULE-"C"</b>		
	<b>DEPOSIT AND OTHER ACCOUNTS</b>		
	<b>ठेवी व अन्य खाती</b>		
	(i) <b>TERM DEPOSITS / मुदत ठेवी</b>		
106,226,392,118.22	a) From Individuals & Others / व्यक्तिगत	102,462,641,797.75	
—	b) From Central Co-op Banks / मध्यवर्ती सहकारी बँक्स	—	
15,879,623,884.73	c) From Other Societies/ इतर संस्था	10,793,348,020.92	
<b>122,106,016,002.95</b>			<b>113,255,989,818.67</b>
	(ii) <b>SAVINGS BANK DEPOSITS / बचत खाते ठेवी</b>		
25,904,477,631.04	a) From Individuals & Others / व्यक्तिगत	26,620,048,094.72	
—	b) From Central Co-op Banks / मध्यवर्ती सहकारी बँक्स	—	
725,208,771.61	c) From Other Societies / इतर संस्था	760,387,962.47	
<b>26,629,686,402.65</b>			<b>27,380,436,057.19</b>
	(iii) <b>CURRENT DEPOSITS / चालू खाते ठेवी</b>		
7,292,863,668.38	a) From Individuals & Others / व्यक्तिगत	8,442,577,192.87	
—	b) From Central Co-op Banks / मध्यवर्ती सहकारी बँक्स	—	
463,015,097.76	c) From Other Societies/ इतर संस्था	245,974,384.67	
<b>7,755,878,766.14</b>			<b>8,688,551,577.54</b>
<b>156,491,581,171.74</b>			<b>149,324,977,453.40</b>
	<b>SCHEDULE-"D"</b>		
	<b>BORROWINGS / कर्जे</b>		
1,866,060,508.33	1) REPO / रेपो	—	
5,451,792,000.00	2) Long Term (Subordinated) Deposits	6,845,112,000.00	
<b>7,317,852,508.33</b>	दीर्घ मुदतीच्या ठेवी		<b>6,845,112,000.00</b>
	<b>SCHEDULE-"E"</b>		
	<b>OTHER LIABILITIES / इतर देणी</b>		
209,621,913.63	a) Outstanding Payments / बिले देणे	207,616,857.40	
18,544,994.33	b) Dividend Payable / लाभांश देणे	8,207,623.50	
223,463,578.06	c) Suspense Account / अनामत	248,335,136.36	
646,814,316.89	d) Payslip Payable / पेस्लीप पेएबल	347,554,656.87	
409,682,655.21	e) Other Liabilities / इतर देणी	363,986,922.55	
577,801,106.20	f) Sundries / इतर	518,107,909.28	
2,871,932,670.00	g) Income Tax Provision / आयकर तरतूद	2,878,330,548.00	
3,639,468.00	h) Interest Received in Advance on Export Credit	2,889,117.53	
	निर्यात कर्जावरील व्याज आगाऊ जमा		
38,772,670.76	i) Interest Provision for FITL / FITL खात्यासाठी	231,139,824.81	
	व्याजाची तरतूद		
39,049,970.00	j) Claims under ECGC Scheme / ECGC क्लेम	39,051,067.82	
—	k) GST Payable	27,018,003.10	
—	l) NEFT Loan Recovery	21,371.00	
184,265,435.99	m) Position Account : Forex	—	
<b>5,223,588,779.07</b>			<b>4,872,259,038.22</b>

## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
	<b>SCHEDULE-"F"</b>		
	<b>MERGED BANKS COLLECTION ACCOUNT PAYABLE</b>		
21,323,800.00	1) विलीनीकरण झालेल्या बँकांचे कलेक्शन अकाउंट पेएबल Unnati Co-op. Bank Ltd., Baroda / उन्नती सह. बँक	20,005,960.00	
9,191,975.00	2) Sushil Kumar Nahata Co-op. Bank, Bhusawal सुशीलकुमार नाहाटा बँक	6,124,125.00	
<b>30,515,775.00</b>			<b>26,130,085.00</b>
	<b>SCHEDULE-"G"</b>		
	<b>PROFIT AND LOSS ACCOUNT</b>		
	Profit as per last Balance Sheet		
37,550.62	मागील ताळेबंदानुसार नफा	109,788,444.92	
458,563,674.30	Balance c/f	717,323,265.11	
<b>458,601,224.92</b>	<b>Profit for the year 2016-17</b>	<b>827,111,710.03</b>	
(-) 112,879,000.00	Less: Bad & Doubtful Debt Reserve	212,687,000.00	
—	Less : Overdue Interest Reserve	7,751,000.00	
(+) 39,065,165.00	Less /Add : Deferred Tax Assets	73,606,717.00	
<b>384,787,389.92</b>		<b>680,280,427.03</b>	
	Less : Appropriation on declared profit of ₹ 717323265.11		
50,812,460.00	a) Statutory Reserve Fund / गंगाजळी	179,330,820.00	
20,324,985.00	b) Reserve for Unforeseen Losses / आकस्मित तोट्यासाठी राखीव निधी	71,732,330.00	
2,032,500.00	c) Education Fund / शिक्षण निधी	7,173,235.00	
20,329,000.00	d) Investment Fluctuation Reserve रोखे अवमूल्यन निवारण निधी	—	
<b>291,288,444.92</b>		<b>422,044,042.03</b>	
<b>(-) 181,500,000.00</b>	<b>Add/Less : Transfer To General Reserve</b>	<b>245,718,959.72</b>	
109,788,444.92		176,325,082.31	
717,323,265.11	<b>Add/Less: Net Profit/Loss for the year as per Annexed A/c.</b>	657,302,775.00	
<b>827,111,710.03</b>		(480,977,692.69)	
—	<b>Add: Transfer from Reserve for Unforeseen Losses</b>	724,235,109.46	
<b>827,111,710.03</b>			<b>243,257,416.77</b>
	<b>SCHEDULE - "H"</b>		
	<b>CASH &amp; BANK BALANCES</b>		
	<b>रोख शिल्लक व बँकांकडील शिल्लक</b>		
792,981,747.00	a) Cash In Hand / रोख शिल्लक	829,112,472.00	
6,477,359,353.02	b) Reserve Bank of India Current Account / रिझर्व्ह बँक चालू खाते	6,853,600,832.98	
54,191,411.21	c) Current Deposits with State Co-operative Bank Ltd. / स्टेट को-ऑप बँकांकडील चालू खाती	82,039,069.03	
—	d) Current Deposits with Dist.Central Co-op. Bank Ltd. / डिस्ट्रीक्ट सेंट्रल को-ऑप बँकेकडील चालू खाती	—	
40,089,595.20	e) Current Deposits SBI & its Subsidiaries स्टेट बँक व उप बँकांकडील चालू खाती	23,373,537.11	
100,000.00	f) Fixed Deposits with State Co-op. Bank Ltd. स्टेट को-ऑप बँकेकडील मुदत ठेवी	100,000.00	
29,948,098.00	g) Fixed Deposits with SBI & its Subsidiaries स्टेट बँक व उप बँकांकडील मुदत ठेवी	<b>31,920,762.00</b>	
<b>7,394,670,204.43</b>			<b>7,820,146,673.12</b>

## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
	<b>SCHEDULE - "I"</b>		
	<b>BALANCES WITH OTHER BANKS</b>		
1,506,358,343.90	a) इतर बँकांकडील शिल्लक Current Deposits with other Banks	1,331,323,521.53	
411,756,714.52	b) इतर बँकांकडील चालू खाती Fixed Deposits with other Banks	1,141,541,984.02	
<b>1,918,115,058.42</b>	इतर बँकांकडील मुदत ठेवी		<b>2,472,865,505.55</b>
	<b>SCHEDULE-'J'</b>		
	<b>INVESTMENTS / गुंतवणूक</b>		
45,907,153,750.07	(i) In Central & State Govt Securities सरकारी रोखे (सेंट्रल गव्हर्मेंट व स्टेट गव्हर्मेंट) Face Value ₹ 41,096,285,349.00 (₹ 43,346,288,849.00) Market Value ₹ 42,956,890,838.47 (₹ 45,853,855,347.48) [Including ₹ 328,119,987.5 (₹ 560,179,323.22) Pledged for Treasury Operations ]	43,681,125,947.93	
—	(ii) Other Approved Securities / इतर विश्वस्त रोखे	—	
10,648,025.00	(iii) Shares of Co-operative Banks / सहकारी बँकेचे भाग	10,648,025.00	
674,650,000.00	(iv) PSU Bonds / पब्लिक सेक्टर अंडरटेकिंग बॉण्ड्स	724,084,750.00	
4,999,200.00	(v) Shares of Subsidiary Co.-Cosmos eSolutions & Services Pvt. Ltd. and Shares of NPCI / उप कंपनीचे भाग - कॉ सर्मास ई-सोल्यूशन्स आणि सर्व्हिसेस प्रा. लि. व एन.पी.सी.आय. चे शेअर्स	4,999,200.00	
3,969,537,207.00	(vi) Security Receipts / सिक्युरिटी रिसीप्ट्स	3,312,976,207.00	
<b>50,566,988,182.07</b>			<b>47,733,834,129.93</b>
	<b>SCHEDULE-"K"</b>		
	<b>ADVANCES / कर्जे</b>		
	<b>1) Short Term Loan, Cash Credit, Overdraft and Bill Discounted of which secured against:</b>		
	<b>अल्पमुदत कर्जे- कॅश क्रेडीट, ओव्हरड्राफ्ट, हुंडी</b>		
	<b>खरेदीपैकी संरक्षित कर्जे</b>		
11,980,607,689.59	a) Government & Other approved securities / सरकारी व निम सरकारी रोखे	33,829,277.89	
43,378,233,653.29	b) Other Tangible Securities/इतर तारण	48,829,820,723.53	
473,313.42	c) Personal Sureties / कर्जदाराच्या वैयक्तिक जबाबदारी व जामिनकीवरील	323,444.79	
<b>55,359,314,656.30</b>			<b>48,863,973,446.21</b>
	i) Amount overdue ₹ 35,75,637,837.09 पैकी थकबाकी		
	ii) Amounts considered Bad & Doubtful of recovery ₹ 4,190,858,535.45 यापैकी संशयित व बुडीत		
	<b>2) Medium Term Loan of which Secured against:</b>		
	<b>मध्यम मुदत कर्जापैकी संरक्षित कर्जे</b>		
17,594,950.44	a) Government & Other approved Securities / सरकारी व निम सरकारी रोखे	26,841,432.40	
21,454,255,126.23	b) Other Tangible Securities / इतर तारण	18,867,094,878.33	
467,724,431.08	c) Personal Sureties / कर्जदाराच्या वैयक्तिक जबाबदारी व जामिनकीवरील (of the above amount receivable from State / Central Govt. of India against Debt Waiver Scheme is ₹0.95 lakh)	689,795,752.63	
<b>21,939,574,507.75</b>			<b>19,583,732,063.36</b>



## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
	<b>SCHEDULE-"K" (Contd.) ADVANCES / कर्जे</b>		
	i) Amount overdue ₹ 1,367,134,699.48 पैकी थकबाकी		
	ii) Amounts considered Bad & Doubtful of recovery / यापैकी ₹ 1,929,945,577.72 संशयित व बुडीत		
	3) Long Term Loans of which Secured against: दिर्घ मुदत कर्जापैकी संरक्षित कर्जे		
	a) Government & Other approved Securities / सरकारी व निम सरकारी रोखे		
37,062,533,981.88	b) Other Tangible Secures / इतर तारण	38,927,383,482.57	
249,552,003.40	c) Personal Sureties / कर्जादाराच्या वैयक्तिक जबाबदारी व जांमिनकर्तारील	334,228,904.38	
<b>37,312,085,985.28</b>			<b>39,261,612,386.95</b>
	i) Amount overdue ₹ 1,676,212,313.50 पैकी थकबाकी		
	ii) Amounts considered Bad & Doubtful of recovery ₹ 4,056,851,200.37 यापैकी संशयित व बुडीत		
<b>114,610,975,149.33</b>			<b>107,709,317,896.52</b>

## Schedule "L"

## Fixed Assets

Fixed Assets	Gross Block					Depreciation				Net Block	
	Opening	Additions / Adjustment During Year	Revaluation	Deletions During Year	Closing	Upto 31.03.2017	For The Year 17-18	Deletion	Total	WDV As On 31.03.2017	WDV As On 31.03.2018
1. Freehold Land	1954279483.00	0.00	0.00	0.00	1954279483.00	0.00	0.00	0.00	0.00	1954279483.00	1954279483.00
2. Leasehold Land / Premises	6227837.00	0.00	0.00	6227837.00	0.00	427837.00	81466.33	509303.33	0.00	5800000.00	0.00
3. Buildings	4082261843.99	637002.59	518955662.60	26152315.52	4575702193.66	599030006.85	70503381.70	6486331.89	663047056.66	3483231837.14	3912655137.00
4. Furniture & Fixtures	785893411.34	10818384.04	0.00	1213183.41	795498611.97	390638832.87	64693701.45	1134663.74	454197870.58	395254578.47	341300741.39
5. ATM	61386791.00	1092010.00	0.00	829509.00	61649292.00	54405017.10	3029978.68	829507.00	56605488.78	6981773.90	5043803.22
6. Computers & Hard- ware	625563141.00	95981754.89	0.00	496648.74	721048247.15	519141554.05	82473043.05	496624.74	601117972.36	106421586.95	119930274.79
7. Electric Items	544657055.76	6471048.33	0.00	2795367.93	548332736.16	229362095.60	48595097.71	2101084.20	275856109.11	315294960.16	272476627.05
8. Vehicle	35428607.69	1264251.00	0.00	2556944.00	34135914.69	30365546.03	2306620.34	2538825.70	30133340.67	5063061.66	4002574.02
9. Work In Progress including Capital Advance	55167365.65	8502.00	0.00	52132292.63	3043575.02	0.00	0.00	0.00	0.00	55167365.65	3043575.02
Grand Total	8150865536.43	116272952.85	518955662.60	92404098.23	8693690053.65	1823370889.50	271683289.26	14096340.60	2080957838.16	6327494646.93	6612732215.49

\* Depreciation of ₹ 5,04,81,142.74 is on Building Revaluation Surplus.

## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
	<b>SCHEDULE-"M"</b>		
	<b>OTHER ASSETS / इतर येणी</b>		
24,725,330.97	a) Deposits / डिपॉझीटस्	25,645,560.84	
1,022,291.14	b) Clearing A/c / समाशोधन खाते	577,709.80	
42,844,543.61	c) Tasalmat / तसलमात	42,808,899.61	
29,223,806.00	d) Adhesive Stamp & Silver Coins Stock अधेसिव्ह स्टॅम्प व चांदीच्या गणेश मुद्रिका	35,044,404.00	
3,936,491.00	e) Advance to Suppliers विविध खरेदीपोटी दिलेली आगाऊ रक्कम	1,775,555.27	
35,866,704.55	f) TDS - Invest. Interest, Others टीडीएस रोखे व्याजावरील व इतर उत्पन्नावरील	93,134,681.85	
253,237,026.00	g) Other Receivable / इतर येणी	262,803,289.52	
160,453,660.74	h) Landlord Rent Deposit जागा मालकांना जागा भाडेपोटी दिलेली आगाऊ रक्कम	160,703,611.54	
7,863,015.70	i) Stationery Stock in hand / स्टेशनरी शिल्लक	7,254,287.16	
311,789,738.00	j) Income Tax / आयकर	651,765,819.00	
3,435,915,100.00	k) Advance Income Tax / आगाऊ आयकर भरणा	3,424,039,019.00	
9,445,057.54	l) Capital Exp. on Lease Premises भाड्याच्या जागांसाठी केलेला भांडवली खर्च	7,932,303.24	
51,388,794.52	m) Exchange Profit Adjustment a/c एक्स्चेंज प्रॉफिट अँड्जेस्टमेंट अकौंट	103,005,432.32	
1,807,657.90	n) Sundries / इतर	2,012,170.90	
7,394,001.02	o) Other Assets / इतर ॲसेटस्	16,538,803.79	
8,392,376.00	p) Interest Equalisation claim Receivable from RBI रिझर्व्ह बँकेकडून निर्यातदारासाठी व्याजापोटी येणारी रक्कम	1,180,947.00	
24,766,249.69	q) Prepaid Expenses / आगाऊ खर्च	29,682,790.13	
—	r) GST Input Tax Credit	86,698,977.71	
30,600,000.00	s) Cash margin with CCIL सीसीआयएल कडील कॅश मार्जिन	30,600,000.00	
—	t) Position Account Merchant	186,210,791.40	
80,000,000.00	u) Securities with Court (Amravati Bank) कोर्टाकडे जमा असलेले रोखे (अमरावती बँक)	80,000,000.00	
3,068,874.49	v) DEAF Claim Receivable/ डेफ क्लेम रिसिव्हबल	638,916.34	
<b>4,523,740,718.87</b>			<b>5,250,053,970.42</b>

## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
	<b>SCHEDULE - "O"</b>		
	<b>OTHER EXPENDITURE / इतर खर्च</b>		
2,542,053.07	i) Subscription & Contribution / इतर संस्थांची वर्गणी	4,608,854.51	
3,079,050.00	ii) Society Charges / संस्था देखभाल खर्च	2,493,421.69	
3,669,831.04	iii) Fuel Expenses on Vehicle / वाहन इंधन खर्च	2,849,338.01	
4,412,145.03	iv) Cash Van Exps. / कॅश व्हॅन खर्च	4,598,456.20	
1,831,756.85	v) Meeting Expenses / सभा खर्च	1,917,201.41	
91,028,333.19	vi) Security Service Charges / सुरक्षा खर्च	95,332,642.03	
6,633,112.90	vii) Clearing Charges / समाशोधन खर्च	9,562,441.59	
2,079,746.62	viii) Depository Expenditure / डिपॉझिटरी खर्च	1,921,490.55	
80,343,544.00	ix) Outsourcing Expenses / आऊटसोर्सिंग खर्च	59,296,119.50	
992,511.50	x) Inauguration / Anniversary Day Expenses उद्घाटन व वर्धापनदिन खर्च	1,226,354.89	
26,517,786.58	xi) Legal Expenses & Court Expenses / लिंगल व कोर्ट खर्च	28,273,315.78	
59,657,547.36	xii) NFS & Banks service charges / एनएफएस व बँक्स सर्व्हिस खर्च	77,895,228.14	
6,069,947.46	xiii) Bank Charges / बँक चार्जेस	40,491,486.65	
666,756.06	xiv) Board of Directors Lodging / Boarding / Travelling Expenses / संचालक मंडळ लॉजिंग, बोर्डिंग व प्रवास खर्च	355,020.57	
2,051,489.50	xv) Staff Travelling, Lunch etc./ सेवक प्रवास व भोजन इ. खर्च	1,735,326.90	
50,490,614.72	xvi) Sundries / इतर खर्च	25,902,497.90	
14,202,373.04	xvii) Transaction Charges (CCIL) / सी.सी.आय.एल. व्यवहार चार्जेस	11,950,344.36	
10,089,343.56	xviii) Provision for Other Receivables / इतर येणे तरतूद	1,383,657.02	
3,820,796.26	xix) Charges for Market View Software मार्केट व्ह्यू सॉफ्टवेअर चार्जेस	3,573,094.98	
22,761,717.40	xx) Visa Charges / व्हिसा चार्जेस	20,709,528.84	
91,399,761.51	xxi) I.T. Services Consultancy & Maintenance charges / आय.टी. कन्सल्टन्सी व मेंटेनन्स खर्च	101,617,268.70	
12,136,300.13	xxii) Tax & Other Consultancy Charges / टॅक्स व इतर कन्सल्टन्सी खर्च	8,013,263.80	
18,780,319.97	xxiii) Trusteeship Fee - ARC / ट्रस्टीशिप फी- एआरसी	10,064,323.53	
35,175.00	xxiv) Retainer Fees for Recruitment / रिटेनर्स फी फॉर रिक्रुटमेंट	—	
7,151,371.63	xxv) Record Keeping/ Data Maintenance Expenses / रेकार्ड किपिंग/डेटा मेंटेनन्स खर्च	8,339,659.74	
3,581,826.38	xxvi) ATM/SWIFT/Internet Banking/Mobile Banking / Rupay Charges / एटीएम/स्विफ्ट/इंटरनेट बँकिंग/मोबाईल बँकिंग/रूपे चार्जेस	5,352,387.76	
2,669,492.63	xxvii) Financial Inclusion & Business Promotion Expenses/ वित्तीय समावेशन व व्यवसाय वृद्धी खर्च	4,179,108.98	
<b>528,694,703.39</b>			<b>533,641,834.03</b>

## SCHEDULES TO BALANCE SHEET

AS AT 31 <sup>ST</sup> MARCH, 2017 ₹	PARTICULARS तपशील		AS AT 31 <sup>ST</sup> MARCH, 2018 ₹
	<b>SCHEDULE - "P"</b>		
	<b>PROVISION FOR ASSETS</b> असेटसाठी तरतूद		
1,848,605,908.12	a) Bad & Doubtful Debt Reserve / बुडीत व संशयित कर्ज निधी	2,299,898,097.09	
610,000.00	b) Contingent Prov. Against Standard Assets / स्टँडर्ड असेटस्वरील संभाव्य तरतूद	—	
264,762,590.98	c) Investment Depreciation Reserve / गुंतवणूक घसाऱ्यासाठी संभाव्य तरतूद	901,553,156.87	
—	d) Provision for Restructured Assets / रिस्ट्रक्चर्ड असेटस्वरील तरतूद	37,915,316.65	
<b>2,113,978,499.10</b>			<b>3,239,366,570.61</b>
	<b>SCHEDULE - "Q"</b>		
	<b>INCOME FROM INTEREST &amp; DISCOUNT /</b>		
	<b>व्याज व कसर उत्पन्न</b>		
11,866,816,781.09	1) Interest on Loans & Advances / कर्जावरील व्याज	10,477,712,310.93	
4,035,947,168.07	2) Interest from Investments / गुंतवणूकीवरील व्याज	4,120,984,666.89	
1,264,301.00	3) Dividend on Shares / लाभांश	1,269,300.00	
2,500,000.00	4) Dividend on Shares of Subsidiary Company / उप कंपनीमधील भागावर मिळालेला लाभांश	2,500,000.00	
<b>15,906,528,250.16</b>			<b>14,602,466,277.82</b>

### SCHEDULE "R"

### NOTES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2018 AND BALANCE SHEET AS ON EVEN DATE.

#### I. 1. OVERVIEW

The Cosmos Co-operative Bank Ltd. ("the bank") was established on 18th January 1906. The bank is a multi-state scheduled co-operative bank having 140 branches in 7 states as on 31st March, 2018. The Bank is licensed by the Reserve Bank of India (RBI) as 'Authorized Dealers' in Foreign Exchange transactions under category-1.

#### 2. BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting, unless otherwise stated, and comply with generally accepted accounting principles in India, statutory requirements prescribed under the Banking Regulation Act 1949, and the Multi State Co-operative Societies Act 2002, and rules made there under, circulars and guidelines issued by the Reserve Bank of India (RBI) from time to time, the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) and current practices prevailing within the banking industry in India.

### 3. USE OF ESTIMATES

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities at the date of the financial statements. Actual results could differ from those estimates. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Any revision to the accounting estimates is recognized prospectively.

## II. SIGNIFICANT ACCOUNTING POLICIES

### 1. Accounting Convention -

The financial statements are drawn up in accordance with historical cost convention and on going concern basis.

### 2. Revenue Recognition

Items of income and expenditure are accounted on accrual basis except for the following: -

- i. Interest and other income on Advances classified as 'Non-performing assets' is recognized to the extent realized, as per the directive issued by the RBI. Unrealized interest on non-performing advances is shown under 'Overdue Interest Reserve' and as 'Interest Receivable' on liability side and asset side respectively.
- ii. Commission and Exchange are fully recognized as income on realization.
- iii. Locker Rent is recognized on receipt basis, to the extent of income accrued and due.
- iv. Dividend is recognized as income when right to receive payment is established by the date of Balance Sheet.
- v. Interest on Government Securities, debentures and other fixed income securities is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

### 3. Investments

- a. The Bank has classified the investments in accordance with the RBI guidelines applicable to Urban Co-Operative Banks. Accordingly, classification of investments for the purpose of valuation is done under the following categories:
  - i) Held to Maturity (HTM)
  - ii) Available for Sale (AFS)
  - iii) Held for Trading (HFT)
- b. Investments are classified under following six heads for disclosure in Balance Sheet as per RBI guidelines -
  - i. Central & State Government Securities
  - ii. Other Approved Securities
  - iii. Shares of Co-op. Banks
  - iv. PSU Bonds
  - v. Shares in Subsidiary Company and other shares in Corporates
  - vi. Security Receipts
- c. Investments purchased under HTM category are accounted at cost. Premium, if any, on investments under HTM category is amortized over the residual life of the investment.

- d. Investments under “HFT” and “AFS” categories are marked to market on the basis of guidelines issued by the RBI. While net depreciation, if any, under each of the categories has been provided for, and net appreciation, if any, has been ignored.
- e. For the purpose of valuation, market value in the case of Central and State Government securities, PSU bonds is determined as per RBI guidelines on the basis of the “Yield to Maturity” indicated by Primary Dealers Association of India (PDAI)/ Fixed Income and Money Market Derivatives Association of India (FIMMDA), jointly with Financial Benchmark India Pvt. Ltd (FBIL).
- f. Shares of co-operative Banks are valued at cost. Full provision is made for investment in shares of co-operative societies, in case dividend is not declared or financial position is not available or which have gone into liquidation.
- g. Investments in quoted mutual funds are valued as per stock exchange quotations. Investments in non-quoted mutual funds are valued in line with RBI guidelines on the basis of latest repurchase price declared by mutual funds or Net Asset Value (NAV).
- h. Security receipts are recognized at the lower of the redemption value of the security receipts and the NBV of the financial asset. The same are valued on the basis of the Net Asset Value (NAV), obtained from SC / RC from time to time.
- i. The transfer of investments from one category to another is done at lower of the acquisition cost/book value/ market value on the date of transfer and the depreciation, if any, fully provided for.
- j. Treasury Bills under all the classifications are shown at carrying cost.
- k. Broken period interest on debt instruments is treated as revenue item. Brokerage, Commission etc. pertaining to investments paid at the time of acquisition is charged to revenue.
- l. The investments are accounted for on the settlement date.
- m. Overdue Interest if any in respect of non performing investments is provided under ‘Overdue Interest Reserve’ on investments.
- n. **Transactions under Repo / Reverse Repo, Liquidity Adjustment Facility and CBLO**

Balance under Repo account, CBLO and LAF is reported under Borrowings. CBLO lending above 15 days is shown under short term advances. Reverse Repo and Reverse LAF is shown under Money at call and short notice. Accounting of the abovementioned transactions is done as per RBI monetary policy.

#### 4. Advances

- a. Advances are classified into Standard, Sub-Standard, Doubtful and Loss Assets in accordance with the guidelines issued by the Reserve Bank of India from time to time.
- b. Provision on Advances categorized under Sub-Standard, Doubtful and Loss Assets is made in accordance with the guidelines issued by the Reserve Bank of India. In addition, a general provision is made on following categories of standard assets as per RBI guidelines, as under:

Category	Provision (%)
Direct advances to Agricultural and SME Sectors	0.25
Commercial Real estate loans	1.00
CRE – RH	0.75
Other advances	0.40



- c. For restructured accounts provision is made in accordance with RBI guidelines which require diminution in the fair value of assets to be provided for at the time of restructuring.

## 5. Changes in accounting estimates (AS 5)

The management has revised the estimate for useful life of a premises from 40 years to 60 years considering the existing laws and industry practice.

## 6. Property Plant & Equipment (Fixed Asset) & depreciation:

- a. Property Plant and Equipment other than premises of the bank and merged banks are stated in balance-sheet at historical cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price including non-refundable purchase taxes and any cost attributable for bringing the asset to its working condition for its intended use after deducting trade discount and rebates. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit/ functioning capability from / of such assets.
- b. i) Premises are carried at revalued amount, being fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses in accordance with AS 10 (Revised) PPE issued by ICAI. Revaluations made with sufficient regularity as decided by the management as per the valuation reports of registered Govt. approved valuers to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.
- ii) The surplus arising out of revaluation of premises carried out is credited to the Revaluation Surplus in the Balance Sheet.
- iii) In respect of premises kept in use by the bank, yearly amortization of revaluation surplus of the premises is debited to Profit and Loss account along with depreciation on original cost of premises and credited to premises account. Correspondingly, yearly amortization of revaluation surplus of the premises is debited to revaluation surplus with identical credit to general reserve.
- iv) The remaining of revaluation surplus is transferred to the general reserves when the asset is de-recognized, retired or disposed of.
- c. Premises of the merged bank are recorded at fair value upon merger and Property plant and equipment other than premises are recorded at book value as on date of merger as per due diligence report.
- d. Premises are depreciated over the residual life of premises not exceeding 60 years. Accordingly, the bank has a policy of assessing the residual life of premises periodically to present the realistic value of premises from time to time.
- e. Subsequent costs are included in carrying amount of asset or recognized as separate asset, as appropriate only when it is probable that future economic benefit associated with the item will flow to the entity and the cost can be measured reliably.
- f. Depreciation:

Depreciation on PPE is recognized based on cost of asset less their residual values over their useful lives, using the Straight Line Method. The useful life of Property, plant and equipment is considered as per the management estimate. The estimated useful lives, residual values and depreciation method are reviewed at the end of the each accounting period, with the effect of any changes in estimate accounted for on prospective basis. Depreciation on fixed asset is provided on day wise basis.

The estimated useful lives of PPE and depreciation rates considering the useful life of an individual asset as determined by the management is as follows:

Sr. No.	Property, plant and equipment	Useful lives of an individual Asset	Depreciation rate per annum
1	Land & building	60	_*
2	Furniture & fixtures	10	10%
3	Vehicles	6.7	15%
4	Electrical items	10	10%
5	ATM	5	20%
6	Computer hardware	3	33.33%

(\* In case of Land and building, the depreciation is calculated on the remaining useful life of asset.)

- g. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances.
- h. Whenever there is a revision in the estimated useful life of the asset, the unamortized depreciable amount is charged over the revised remaining useful life of the said asset.
- i. An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as difference between the sales proceeds and the carrying amount of the asset and is recognized in profit and loss.
- j. The Cost of assets not put to use before such date are disclosed under "Capital work in progress".
- k. Freehold land is not depreciated.
- l. Leasehold land is amortized over the period of the lease.
- m. Capital expenditure on leasehold land & building is amortized over a period of 10 years.
- n. Stamp duty and registration charges on leasehold premises are amortize over the period of lease.
- o. The items of fixed asset whoes written down value has become NIL due to charge of depreciation over the years are stated at nominal value of Re. 1/- to facilitate their identification.
- p. Impairment of PPE
  - i. The Bank assesses at each Balance sheet date whether there is any such indication that an asset may be impaired. If any such indication exists, the bank estimates the recoverable amount of the asset. An asset's recoverable amount is higher of an asset's net selling price and its value in use. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account

## 7. Foreign Currency Transactions – AS 11

- a. The bank has no foreign branches. Transactions denominated in foreign currencies are accounted for at the rates prevailing on the date of transaction. Monetary foreign currency assets and liabilities are translated at the Balance Sheet date at rates notified by Foreign Exchange Dealers Association of India (FEDAI). All gains/ losses resulting from year-end revaluations are recognized in the Profit and Loss account.

- b. Outstanding forward exchange contracts and spot exchange contracts are revalued at year-end exchange rates notified by FEDAI for specified maturities. The resulting gains/losses on revaluation are included in the Profit and Loss account in accordance with RBI/FEDAI guidelines.
- c. Contingent liabilities in foreign currencies on account of guarantees, acceptances, endorsements and other obligations are recognized at the rate prevailing on the balance sheet date as notified by FEDAI.

#### 8. Accounting for Amalgamation – AS 14

Accounting for Amalgamation in case of amalgamated Banks with the Bank is carried out as per the guidelines issued by the RBI, from time to time in consonance with AS14 issued by ICAI as under :

- A. Where no consideration is paid but the book value of the assets is less than the book value of liabilities taken over, the excess of the book value of liabilities over the book value of the assets taken over is considered as goodwill. In accordance with the RBI circular RBI/2005-06/217 UBD.BPD.PCB.Cir.18/ 09.16.901/2005-06, the goodwill is amortized over a period of five years in equal installments. In case of mergers before that date, the bank followed the policy of making 100% provision against the goodwill over the period of 5 years.
- B. Where no consideration is paid, but the book value of the assets taken over is greater than the book value of the liabilities taken over, the excess of the book value of assets over the book value of the liabilities is considered as Capital Reserves.
- C. Additional expenses incurred on account of recovery in respect of merged banks after the year of merger are debited to Goodwill / Capital Reserve account. The said portion of goodwill is amortized in remaining period out of 5 years from the year of merger.

#### 9. Employee Benefits – AS 15

- a) Provident Fund:

It is a defined contribution scheme. The eligible employees of the bank are entitled to receive benefits under the Provident Fund, where, both the employee and the bank contribute monthly at a stipulated rate to the government provident fund. The bank has no liability for future provident fund benefits other than its annual contribution and recognizes such contributions as an expense to Profit and Loss account in the period in which employee renders the related service.

- b) Gratuity:

The bank provides for the gratuity, a defined benefit retirement plan, covering all employees. The plan provides for lump sum payments to employees upon death while in employment or on separation from employment after serving for the stipulated years mentioned under 'The Payment of Gratuity Act, 1972'. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the Projected Unit Credit Method.

The bank funds for the plan asset in the form of qualifying insurance policy. The fair value of plan asset is reduced from the gross obligation under the defined benefits plans to recognize the net obligation of the gratuity plan in the Balance Sheet as liability, in accordance with AS-15 'Employee Benefits'. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the Statement of Profit and Loss in the period in which they arise.

- c) Leave Encashment:

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short-term employee benefit. The bank measures the cost of such absences at the amount it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The accumulated leave expected to be carried forward beyond twelve months is Other Long-term Employee Benefit. The same is provided for based on the actuarial valuation using the Projected Unit Credit Method at the reporting date. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred.

## **10. Segment Reporting – AS 17**

In accordance with the guidelines issued by RBI, Segment Reporting is made as under:

- i) Treasury includes all investment portfolio, profit/loss on sale of investments, profit/loss on foreign exchange transactions, equities and money market operations. The expenses of this segment consist of interest expenses on funds borrowed from external sources as well as internal sources and depreciation/amortization of premium on Held to Maturity category investments.
- ii) Other Banking Operations include all other operations not covered under Treasury operations.

Segment information is prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the bank as a whole.

## **11. Operating Lease – AS 19**

Lease payments for assets taken on operating lease are recognized in the Profit and Loss Account over the lease term in accordance with the AS-19 – Leases, issued by the Institute of Chartered Accountants of India.

## **12. Earning Per Share – AS 20**

Basic earnings per share is calculated by dividing the net profit or loss for the period by the weighted average number of shares outstanding during the year. The weighted average number of shares is calculated on monthly basis.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## **13. Taxation – AS 22**

- i. Tax expense comprises both deferred and current taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961. Deferred Income Tax reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.
- ii. Deferred tax liabilities are recognized for all taxable timing differences to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred Tax Assets can be realized.
- iii. Current tax is debited to the Profit and Loss account. The impact of changes in DTA and DTL is recognized in the Profit and Loss account.
- iv. DTAs are reassessed at each reporting date, based upon management's judgment as to whether the realization is reasonably certain.

## **14. Intangible Assets – AS 26**

An intangible asset is recognized if and only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible asset is measured initially at cost and stated in balance-sheet at historical cost less accumulated amortization.

Amortisation

Amortization on intangible assets is provided on Straight Line Method (SLM) @ 33.33% in line with the RBI circular RBI/2005-06/286 UBD.BPD.PCB Cir. No. 28/12.05.001/2005-06.

**15. Provisions, Contingent liabilities and Contingent Asset – AS 29**

A provision is recognized when Bank has a present obligation as a result of past event where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value except in case of decommissioning, restoration and similar liabilities that are recognized as cost of Property, Plant and Equipment and are determined based on best estimate of the expenditure required to settle the present obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

- a) A possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non occurrence of one or more uncertain future events not within the control of the Bank; or
- b) A present obligation arising from a past event which is not recognized, as it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

When there is a possible or present obligation in respect of which the likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

**III. NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018****1. Long Term Subordinated (Tier-II) Deposits:**

In accordance with the approval granted by RBI vide its letter No. DCBS.MRO.BSS II/5452/12.07.047/2017-18 dated 9th March 2018 and Joint Secretary and Central Registrar of Co-operative Societies vide its letter ref. no. R-11017/44/2012-L & M (vol. III) dated 14th March 2018, the bank has raised ₹ 144.97 crores by way of Long Term Subordinated (Tier-II) Deposits during the year. The Bank has serviced the interest of ₹ 5242.51 lakhs on LTDs during the year.

**2. Revaluation Surplus:**

- a) In accordance with AS 10, Property, Plant and Equipment and in tune with the Bank's policy, the bank has revalued entire class of the premises during the year on the basis of fair market value as on 31.3.2018, as certified by the Bank's approved independent valuers and revaluation surplus has been credited of ₹ 5,189.56 Lakhs to the extent of difference between written down value of ₹ 53,479.67 Lakhs and fair market value of ₹ 58,669.23 Lakhs as on the date of valuation.
- b) Amortization of ₹ 504.81 Lakhs (₹ 551.97 Lakhs for F.Y.2016-17) on account of revaluation of ownership premises have been provided during the year and an equivalent amount is debited to Profit & loss a/c.
- c) The Bank was amortising revaluation surplus on premises on yearly basis on the basis of useful residual life of the premises and debiting the same to revaluation reserve with corresponding credit to premises. However, due to applicability of AS- 10 (Revised) with effect from 01.04.2017, the bank has to change its accounting policy to fall in line with the provisions of AS-10 (Revised). Accordingly, the bank has debited yearly amortization of revaluation surplus of the premises of ₹ 504.81 Lakhs to Profit and Loss account along with depreciation of ₹ 201.04 Lakhs on original cost of premises. Correspondingly, yearly amortization of revaluation surplus of the premises of ₹ 504.81 Lakhs is debited to revaluation surplus with identical credit to general reserve.
- d) Bank was considering estimated life of premises at 40 years at the time of revaluation of premises and charging depreciation on premises on SLM basis. The Bank has changed the estimated residual life of premises to 60 years from the current financial year and accordingly, calculated amortization of Revaluation Reserve and charged depreciation on premises considering estimated life of premises as 60 years. Due to change in estimated life of premises from 40 years to 60 years, amortization charge is reduced from ₹ 6.27 crores to ₹ 5.05 Crores and depreciation charge on premises is reduced from ₹ 2.94 Crores to ₹ 2.02 Crores with reduction in loss by ₹ 2.14 Crores.

### 3. Change in Appropriation of Profit as approved by AGM.

The Bank has appropriated an amount of ₹ 2126.87 lakhs towards provision for Bad & Doubtful debts as instructed by RBI in Annexure-V in their inspection report of Bank's position as on 31.03.2017 and the same is shown in appropriation of profit for the F.Y. 2016-17 duly approved by the Board in this meeting held on 02.06.2018. Accordingly, appropriation of profit as approved by the Annual General Meeting held on 24.09.2017 is changed as under:

Appropriation of Profit as approved by AGM		Appropriation of Profit done by the Bank in response to RBI Inspection (as mentioned above)	
Net Profit	717,323,265.11	Net Profit	717,323,265.11
Less: Trfd. To General Reserve	245,718,959.72	Less: BDDR provision as instructed in RBI I.R.	212,687,000.00
Remaining Profit	471,604,305.39	Less: Overdue Int. Reserve	7,751,000.00
Add: C/fd. P.Y. Profit	109,788,444.92	Balance Profit	496,885,265.11
Appropriation of Profit	581,392,750.31		
Add: DTA @34.608% due to on Addl. BDDR of ₹ 21.27 crores	73,606,717.00		
		Total	570,491,982.11
Less: Appropriation		Less: Appropriation on declared profit of ₹ 717,323,265.00	
1. Reserve Fund @25%	117,901,080.00	1. Reserve Fund @25%	179,330,820.00
2. Education Fund @1%	4,716,050.00	2. Education Fund @1%	7,173,235.00
3. Reserve for unforeseen losses @10%	47,160,440.00	3. Reserve for unforeseen losses @10%	71,732,330.00
Profit available for Dividend Distribution	411,615,180.31		
Remaining Profit	312,255,597.11		
		Less: Trfd. To General Reserve	245,718,959.72
			66,536,637.39
		Add: C/fd. P.Y. Profit	109,788,444.92
		Profit available for Dividend Distribution	176,325,082.31

This change in appropriation is subject to approval of the AGM.

### 4. Withdrawal from Reserve for Unforeseen Losses:

In terms of Section 63(1) of the Multi State Cooperative Societies Act, 2002, the Bank appropriates 10% of its net profits after tax to Reserve for meeting 'Unforeseen Losses'. As the title suggests, such reserve is meant for absorbing the losses arisen due to unforeseen situations. Financial Year 2017-18 witnessed a sharp fall in the market values of Government Securities due to flattening of yields, resulting into a steep increase in the depreciation on such securities, which amounted to ₹ 72,42,35,109.46. In the view of the management, this situation was unprecedented, and the losses incurred due to depreciation of this quantum were unforeseen. As such, an amount of ₹ 72,42,35,109.46 has been withdrawn from the 'Reserve for Unforeseen Losses' and the same has been credited to the Profit & Loss Account, 'below the line'.



**5. Dividend Payment for F.Y. 2016-17**

The Bank has sought approval of Reserve Bank of India for distribution of dividend to its members for F.Y. 2016-2017. Approval of RBI is awaited.

6. The bank has written off an amount of ₹ 20975.35 Lakhs (₹ 26,254.86 Lakhs for F.Y. 2016-17) towards Bad debts, which is approved by the Board of Directors. The said non-performing assets had been classified as Doubtful/ Loss Assets and had been fully provided for.
7. Since the Bank has incurred loss as per books of accounts and as per income tax, no provision for income tax is made in the accounts. However the bank has made provision for tax on dividend of ₹ 1.50 lakhs towards dividend received from the Bank's subsidiary company.
8. Suppliers/Service providers covered under Micro, Small, Medium Enterprises Development Act, 2006, have not furnished the information regarding filing of necessary memorandum with the appropriate authority. As such, information relating to cases of delays in payments to such enterprises or of interest payments due to delays in such payments, cannot be given.
9. The income for Bank assurance business for the period April 2017 to March 2018 is as follows -

(₹ in lakhs)

Sr. No.	Nature of Income	2017-18	2016-17
1.	From selling Life Insurance Policies	53.58	39.15
2.	From selling Non Life Insurance Policies	55.03	50.08
3.	From selling Mutual Fund Products	53.13	30.02
	<b>Total</b>	<b>161.74</b>	<b>119.25</b>

**10. Restructured Loans:**

Details of loans subjected to restructuring as on 31 March 2018 are given below:

(₹ in lakhs)

Sr. No.	Particulars		CDR Mechanism	Housing Loans	SME Debt Restructuring	Others
1.	Standard advances restructured	No. of Borrowers	—	1 (—)	6 (11)	—
		Amount outstanding	—	16.09 (—)	10,288.75 (22,931.09)	—
		Diminution in the fair value	—	—	—	—
2.	Sub-standard advances restructured	No. of Borrowers	—	—	04 (02)	—
		Amount outstanding	—	—	4,431.44 (3,761.08)	—
		Diminution in the fair value	—	—	—	—
3.	Doubtful advances restructured	No. of Borrowers	—	—	05 (04)	—
		Amount outstanding	—	—	10,523.84 (1,517.06)	—
		Diminution in the fair value	—	—	379.16	—
	<b>Total</b>	<b>No. of Borrowers</b>	—	<b>1 (—)</b>	<b>15 (17)</b>	—
		<b>Amount outstanding</b>	—	<b>16.09 (—)</b>	<b>25,244.03 (28,209.23)</b>	—
		<b>Diminution in the fair value</b>	—	<b>0.00 (—)</b>	<b>379.16 (—)</b>	—

(Figures in bracket are of previous year)

11. The Bank has neither sold any assets to ARCs and nor purchased any Non-Banking Assets during the current as well as previous year.

## 12. Prior Period Items – AS 5

There are no items of material significance in the prior period account requiring disclosure.

## 13. Gain(Loss) on Foreign Exchange Transactions – AS 11

The bank has revalued the forward exchange contracts & spot exchange contracts as per the FEDAI rates as on the date of Balance sheet and net gain on account of such revaluation of ₹ 1030.05 lakhs (₹ 513.89 lakhs for F.Y. 2016-17) is credited to Profit & Loss account in accordance with AS-11 issued by ICAI.

The bank has revalued all the outstanding Open Foreign Currency Positions and all the outstanding Forward as well as Spot exchange contracts, as per FEDAI rates as on the date of Balance Sheet and net exchange profit of ₹ 4,78,07,335.60 representing net effect of realized and Revalued exchange earnings is credited to Profit & Loss account in accordance with AS-11 issued by ICAI.

## 14. Accounting for Amalgamation – AS 14

### **Merger of Co-operative Bank of Ahmedabad Ltd.**

As per the merger scheme, there is no period limit for recovery of loss on merger in case of Co-op. Bank of Ahmedabad Ltd (CBA). During the year, on comparison of losses provided up to financial year 2016-17 with credits received on account of recovery, the excess provision of ₹ 96.52 Lakhs on account of amortization of losses is written back to profit and loss account, the details of which are as under.

(₹ in lakhs)

Bank Name	Accum. losses on merger	Net credit to losses on A/C of Recovery etc.	Losses C/F to be provided	Loss Provided upto 2016-17	Excess Provided w/back during the year 2017-18	Accumulated loss pending to be Provided over the next year
Co-Op. Bank of Ahmedabad Ltd.	2207.38	1819.78	387.60	484.12	(96.52)	—
<b>Total</b>	<b>2207.38</b>	<b>1819.78</b>	<b>387.60</b>	<b>484.12</b>	<b>(96.52)</b>	<b>—</b>

The balance loss of ₹ 387.60 lakhs in respect of CBA will be adjusted against the further recovery received as there is no time limit prescribed for such recovery of loss in merger scheme of CBA.

## 15. Employee Benefits – AS 15

The bank has defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for a gratuity on separation at 15 days basic salary (last drawn salary) for each completed year of service. The bank funds for the plan asset in the form of qualifying insurance policy.

The liability towards leave encashment and Gratuity is assessed on the basis of actuarial valuation report of Actuary.

**Disclosures required by AS 15 are given as under:**

(₹ in lakhs)

Sr. No.	Particulars	Gratuity		Leave Encashment	
		31.03.18	31.03.17	31.03.18	31.03.17
	<b>Principal assumptions used in determining gratuity obligations</b>				
I	Discount Rate	<b>7.78%</b>	7.27%	<b>7.78%</b>	7.27%
II	Expected return on plan assets	<b>7.78%</b>	7.27%	<b>0.00%</b>	0.00%

Disclosures required by AS 15 are given as under:

(₹ in lakhs)

Sr. No.	Particulars	Gratuity		Leave Encashment	
		31.03.18	31.03.17	31.03.18	31.03.17
III	Salary Escalation rate	4%	4%	4%	4%
IV	<b>Reconciliation of opening and closing balance of the present value of the defined benefit obligation:</b>				
	Opening Present value of obligation	4521.29	3397.92	1421.22	887.78
	Interest cost	328.69	267.08	103.32	69.78
	Current service cost	254.28	188.84	214.57	142.15
	Past service cost	346.22	—	—	203.83
	Liability transfer in	—	—	—	—
	Benefits paid	-402.77	-330.35	-558.76	-434.82
	Actuarial (gain)/ loss on obligations	36.83	997.80	233.51	552.49
	Closing Present value of obligation	5010.88	4521.29	1413.86	1421.22
V	<b>Reconciliation of opening and closing balance of the fair value of the plan assets:</b>				
	Opening Fair value of plan assets	3746.85	3507.79	—	—
	Expected return on plan assets	272.40	275.71	—	—
	Contributions	1080.06	293.52	—	—
	Transfer from other entity	—	—	—	—
	Benefits paid	-402.77	-330.35	—	—
	Actuarial gain / (loss) on plan assets	34.28	0.18	—	—
	Closing Fair value of plan assets	4730.82	3746.85	—	—
VI	<b>Amount recognized in balance sheet:</b>				
	Present value of obligation as at	5010.88	4521.29	1413.86	1421.22
	Fair value of plan assets as at	-4730.82	-3746.85	—	—
	(Assets) / liability as at	280.06	774.44	1413.86	1421.22
VII	<b>Expenses recognized in profit and loss account:</b>				
	Current service cost	254.28	188.84	214.57	345.98
	Past service cost	346.22	—	—	—
	Interest cost	328.70	267.08	103.32	69.78
	Expected Return of Plan Assets	-272.40	-275.71	—	—
	Net actuarial (gain) / loss	-71.11	997.63	233.51	552.49
	Expenses recognized in P & L account included in Salaries, Allowances, PF contribution and Gratuity etc.	585.69	1177.83	551.40	968.25
VIII	<b>Category of fair value of Plan Assets:</b>				
	- Insured managed funds	100%	100%	—	—

Amounts for the current year and previous four years are as follows:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Defined benefit obligation	(5010.88)	(4521.28)	(3397.92)	(3114.27)	2617.62
Plan assets	4730.82	3746.85	3507.79	3245.18	2967.83
Surplus/(deficit)	(280.05)	(774.43)	109.87	130.92	350.21

Particulars	March 31, 2018	March 31, 2017	March 31, 2016	March 31, 2015	March 31, 2014
Experience adjustments on plan liabilities (gains)/losses	130.68	820.32	71.33	50.12	154.79
Experience adjustments on plan assets (losses)/gains	34.28	0.18	2.34	11.94	(7.77)

**16. Primary Segment Reporting (By Business Segments) – AS 17**

(₹ in lakhs)

Particulars	Treasury	Other Banking Operations	Total
Revenue (before Exceptional items)	52085.96 (64,785.71)	135788.25 (153730.23)	187874.21 (218515.94)
Cost	56532.65 (48,579.26)	108689.20 (137108.70)	165221.85 (185687.96)
Result	-4446.69 (16,206.45)	27099.05 (16,621.53)	22652.36 (32,827.98)
Unallocated Expenses	—	—	32393.67 (21244.09)
Operating Profit (PBT)	—	—	-9741.31 (11583.89)
Income Taxes including Deferred Tax	—	—	3168.27 (4410.66)
Reversal of Excess IFR	—	—	—
Previous year's BDDR	—	—	—
Net Profit / Loss (-)	—	—	-6573.03 (7173.23)
<b>OTHER INFORMATION</b>			
Segment Assets	503821.28 (528811.34)	1314653.97 (1359815.72)	1818475.25 (1888627.06)
Unallocated Assets	—	—	50701.25 (42923.52)
Total Assets	—	—	1869176.50 (1931550.58)
Segment Liabilities	38414.57 (25076.43)	1620131.00 (1696223.46)	1658545.57 (1721299.89)
Unallocated Liabilities	—	—	210630.93 (210250.69)
Total Liabilities	—	—	1869176.50 (1931550.58)

(Figures in the bracket are of previous year i.e. 2016-17)

These segments have been reported considering the nature of products or services, the class of customers for the products or services, different risks and returns attributable to them, organizational structure and internal management information system.

Types of products and services in each business segment:-

a) Treasury: Dealing Operations in Forex/ Money Market Instruments.

b) Other Banking Operations: Foreign and Local Finance/ Services

Secondary Segment Information: Bank operates only in one geographical area, hence separate information regarding secondary segment i.e. geographical segment is not given.

#### 17. **Related Party Disclosures – AS 18**

a. Related Party disclosures:

(₹ in lakhs)

	Items / Related Party	Cosmos E Solutions & Services Pvt. Ltd. (Subsidiary Company)	
		31.03.2018	31.03.2017
Transactions-			
1	Rendering of Services to Bank		
	Towards Revenue	1233.43	1139.33
	Towards Purchases	0.00	8.49
2	Interest paid by bank on Fixed Deposit during the year	0.00	0.00
3	Dividend received	25.00	25.00
4	Sale of Fixed Assets	0.00	0.00
Balances-			
1	Current account with Bank	77.67	31.30
	Maximum Balance maintained in Current account with Bank	242.82	161.74
2	Investment in Subsidiary	25.00	25.00

b. The Bank is a Co-operative Society under the Multi-State Co-operative Societies Act, 2002 and there are no related parties requiring a disclosure under Accounting Standard 18 (AS-18) issued by The Institute of Chartered Accountants of India, other than Key Management Personnel, Mr. Suhas Gokhale, Managing Director from 01.04.2017 to 31.03.2018. However, in terms of RBI circular dated 29th March, 2003, he being a single party under the category, no further details thereon need to be disclosed.

#### 18. **Operating lease comprises leasing of office premises, ATM and data centre site storage equipment – AS 19**

(₹ in lakhs)

	31.03.2018	31.03.2017
Minimum lease payments payable at the end of the year:		
- Not later than one year	3650.50	3404.26
- Later than one year and not later than five years	13797.19	13421.19
- Later than five years	21576.48	23189.26
Total minimum lease payments recognized in the profit and loss account for the year.	3493.94	3268.39
Total of minimum sub-lease payment expected to be received under non-cancelable sub-lease	N.A.	N.A.
Sub-lease payments recognized in the profit and loss account for the year.	N.A.	N.A.

## 19. Earnings Per share – AS 20

Sr. No.	Particulars	2017-18	2016-17
<b>A</b>	Profit/Loss for the year attributable to shareholders (₹)	(-)657302775.00	717323265.11
<b>B</b>	Total number of Equity shares at the end of year	37163802	38296060
<b>C</b>	Weighted avg. number of shares of ₹100/- each for the purpose of computing Basic Earnings per share	37567649.75	38455488.17
<b>D</b>	Basic Earning per share (A / C) (₹)	(-)17.50	18.65
<b>E</b>	Weighted avg. number of shares of ₹ 100/- each for the purpose of computing diluted Earnings per share	37567649.75	38455488.17
<b>F</b>	Diluted Earning per share	(-)17.50	18.65

## 20. Consolidated Financial Statements – AS 21

Although Bank has wholly owned subsidiary company, the compliance of Accounting Standard 21 (AS 21) regarding Consolidated Financial Statements is not applicable to the bank, since the Statute- Multistate Co-operative Societies Act, 2002 does not specifically require such disclosure mandatorily, as per AS 21 issued by ICAI.

## 21. Deferred Tax – AS 22

The major components of Deferred Tax for the year are as under:

( ₹ in lakhs)

Deferred Tax Assets	31.03.2018	31.03.2017
1. Provision for BDDR	25642.61	20633.07
2. Leave encashment Provision	1413.86	1421.22
3. Carry Forward Losses under Tax Laws	262.36	—
<b>4. Expenses disallowed U/s 40(a)(ia)</b>	<b>94.05</b>	<b>—</b>
<b>Sub Total (A)</b>	<b>27412.88</b>	<b>22054.29</b>
<b>Deferred Tax Liability</b>		
1. Difference in W.D.V.	4184.31	3480.45
2. Depreciation on HTM securities	9654.13	16465.87
<b>Sub Total (B)</b>	<b>13838.44</b>	<b>19946.32</b>
<b>Total (A-B)</b>	<b>13574.44</b>	<b>2107.97</b>
<b>Deferred Tax Asset</b>	<b>4697.84</b>	<b>729.52</b>

The application of Deferred Tax has resulted in a net credit of ₹ 3232.25 Lakhs to the Profit and Loss Account for the year ended 31st March, 2018. The closing Deferred Tax Asset (net) of ₹ 4,697.84 Lakhs shown separately in the Balance Sheet is inclusive of DTA of ₹ 736.07 lakhs pertaining to additional NPA as instructed by RBI.

The Bank has recognized Deferred Tax Asset pertaining to carry forward of business losses of ₹ 262.36 lakhs under the Income Tax Act, 1961. The losses pertain only to current financial year and the bank does not have history of such losses. The business plan of the Bank clearly establish the virtual certainty that sufficient taxable income would be generated for absorption of carried forward losses under Tax laws and thus for reversal of the Deferred Tax Asset so recognized.



**22. Details of computer software other than internally generated –AS 26**

- i) The details of computer software included in the Fixed Assets block of “computer & Hardware” are as follows:

(₹ In lakhs)

Particulars	31.03.2018	31.03.2017
Opening Balance of Software Expenses (Other Assets)	787.16	826.76
Add: Additions during the year	816.46	474.66
Less: Write off during the year	636.42	514.26
Closing Balance of Software Expenses	967.20	787.16

**23. Impairment of Assets – AS 28**

The Bank has ascertained that there is no material impairment of any of its assets and as such no provision under Accounting Standard 28 issued by the ICAI is required.

**24. Contingent Liabilities – AS 29**

- a) Contingent liabilities in respect of Bank guarantees, Letters of credit, Forward contracts etc.

(₹ in lakhs)

	31.03.2018	31.03.2017
Bank Guarantees	67175.72	56353.31
Letters of Credit ( LC+ Buyer's Credit)	43601.95	40441.26
Forward Exchange contracts Purchase / Sale	23694.96	17079.12
Others – Depositors' Education Awareness Fund	2932.97	2649.92
<b>Total</b>	<b>137405.60</b>	<b>116523.62</b>

- b) Claims not acknowledged as debts:

(₹ in lakhs)

	31.03.2018	31.03.2017
Income tax Demand (Gross)	9629.19	8607.80

The Bank has paid ₹ 6517.28 lakhs (₹ 6236.28 lakhs) against the above income tax demands raised by the income tax department for various assessment years. The Bank has contested this demands at various appellate levels and bank is hopeful of getting substantial relief in respect thereto.

- c) Contingent Liabilities – Others

In terms of DBOD Circular No. DEAF Cell.BC.114/30.01.002/2013-14 dated May 27, 2014, the Bank has transferred all credit balances amounting to ₹ 373.96 lakhs (as mentioned in sub-clause i) to viii) in Clause 3 of DEAF Scheme 2014) maintained with the Bank which have not been in operation for 10 years or more. The required disclosure as per the said circular is as under:

(₹ in lakhs)

Particulars	31.03.2018	31.03.2017
Opening balance of amounts transferred to DEAF	2649.92	1758.48
Add: Amounts transferred to DEAF during the year	373.96	965.47
Less: Amounts reimbursed by DEAF towards claims	90.92	74.03
Closing balance of amounts transferred to DEAF	2932.97	2649.92

The Bank has paid ₹ 224.72 lakhs to customers / depositors towards the said deposits which have remained unclaimed for 10 years or more and also claimed refund of the said amount from RBI in terms of the said scheme

## 25. Capital charge on market risk :

### Market Risk in Trading Book-Standardized Modified Duration Approach.

#### Qualitative Disclosures:

Strategies and Processes:-

- ❖ Investment Policy which includes Market Risk Management is in line with the RBI regulations vide circular UBD.BPD. (PCB).Cir.No. 42 /09.11.600/2009-10 dated February 8, 2010 and business requirements.
- ❖ The overall objective of market risk management is to enhance profitability by improving the bank's competitive advantage and reducing loss from all types of market risk loss events.

#### Scope and Nature of Risk Reporting /Measurement Systems:-

- ❖ The Bank has regulatory/internal limits for various Instruments in place.
- ❖ Various exposure limits for market risk management such as Overnight limit, VaR limit, Daylight limit, Aggregate Gap limit, Investment limit etc. are in place.
- ❖ The portfolio covered by Standardized Modified Duration Approach for computation of Capital Charge for Market Risk includes investment portfolio held under HFT and AFS and Forex Open positions.

#### Quantitative Disclosures:

(₹ in lakhs)

Particulars	Amount of Capital required
Interest Rate Risk	7561.07
Equity Position Risk	0.00
Foreign Exchange Risk	40.50

26. Previous year's figures have been re-grouped / re-arranged wherever necessary to conform to the presentation of the accounts of the current year.

## IV. Disclosure Requirements as Per RBI Guidelines -

Disclosure as per RBI Circular No. UBD.CO.BPD.(PCB) CIR. NO. 52/12.05.001/2013-14 DATED 25.03.2014:

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2018	31.03.2017
1	<b>Capital to Risk Asset Ratio (CRAR)</b>	13.95%	15.38%
2	<b>Movement of CRAR</b>	-1.43%	1.64%
	Risk Weighted Assets	1203366.61	1122397.55
3.A	<b>Values of Investments are as under:</b>		
	Total Face Value (of investments)	451481.19	480046.84
	Total Book Value (of investments)	477338.34	505669.88
	Total Market Value (of investments)	456209.70	501909.08

**3.B. Composition of Non SLR Investments\* as on 31.03.2018:**

(₹ in Crores)

Sr. No.	Issuer	Amount	Extent of 'below Investment grade' securities	Extent of 'unrated securities'	Extent of 'unlisted' securities
(1)	(2)	(3)	(4)	(5)	(6)
1	PSUs	0.00 (0.00)	Nil	Nil	Nil
2	FIs	52.41 (47.47)	Nil	Nil	Nil
3	Public & Private Banks	20.00 (20.00)	Nil	Nil	Nil
4	Mutual Funds	0.00 (0.00)	Nil	Nil	Nil
5	Others-( Security Receipts under ARC ₹ 331.30 Crores and Shares ₹ 1.56 Crores)	332.86 (398.51)	Nil	Nil	1.56 (1.56)
	<b>Total</b>	<b>405.27 (465.98)</b>	Nil	Nil	<b>1.56 (1.56)</b>
6	# Provision held towards Depreciation ₹ 129.48	129.48 (39.32)	— —	— —	— —

\* Mutual funds under the Composition of Non-SLR Investments as on 31.03.2018 - NIL (NIL)

Figures in bracket are of previous year.

**3.C. Non-Performing Non-SLR Investments**

(₹ in Crores)

Particulars	31.3.2018	31.3.2017
Opening Balance	0.01	0.01
Additions during the year	0.00	0.00
Reductions during the above period	0.00	0.00
Closing Balance	0.01	0.01
<b>Total provisions held</b>	<b>0.01</b>	<b>0.01</b>

**3.D. Statement of Securities sold / purchased under REPO Transactions during the year 2017-18.**

(₹ in Crores)

Particulars	Minimum Outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	As on 31.03.2018
<b>Securities sold under REPO (CROMS+RBI)</b>				
i. Govt. Securities	0.00 (0.00)	1969.78 (1525.00)	1213.54 (704.98)	0.00 (186.61)
ii. Corporate Debt Securities	NIL	NIL	NIL	NIL
<b>Securities purchased under Reverse REPO</b>				
i. Govt. Securities	0.00 (0.00)	200.00 (510.00)	5.56 (14.04)	200.00 (130.00)
ii. Corporate Debt Securities	NIL	NIL	NIL	NIL

Figures in bracket are of previous year.

4. **Advances of ₹ 10,77,093.18 lakhs (₹ 11,46,109.75 lakhs) shown in the Balance Sheet include:**

(₹ in lakhs)

Particulars	31.03.2018	31.03.2017
Advance to Directors, their relatives and Companies/Firms in which they are interested		
Fund Based	13.51	19.99
Non-Fund Based	—	—

(₹ in lakhs)

Sr. No.	Particulars	31.03.2018	31.03.2017
5.	<b>Advances against Real Estate, Construction Business, Housing, Shares and Debentures</b>		
	Real Estate	38660.42	70242.19
	Construction business	2849.75	7422.59
	Housing	85423.05	86337.90
	Shares and Debentures	40.49	24.45
6.	<b>Average cost of Deposits</b>	6.48%	7.43%
7.	<b>NPA's</b>		
	a) Gross NPA's	101776.55	88546.18
	b) Non-Performing Investments	0.01	0.01
	c) Net NPA's	76133.95	67054.07
8.	<b>Movement of Gross NPA's</b>		
	<b>Opening Balance</b>	88546.18	109694.71
	Add: Additions during the year	41880.81	28033.76
	Less: Reductions during the year	28650.44	49182.29
	<b>Closing Balance</b>	101776.55	88546.18
9.	<b>Disclosure of Net NPA's</b>		
	Gross NPA's	101776.55	88546.18
	Less: Provisions	25642.60	21492.11
	<b>Net NPA's</b>	76133.95	67054.07
10.	<b>Profitability:</b>		
	a) Interest income as a percentage of working funds	8.05%	8.68%
	b) Non-interest income as a percentage of working funds	1.14%	1.73%
	c) Operating profit as a percentage of working funds	1.28%	1.74%
	d) Return on Assets (Net Profit/ Average of working funds)	—	0.36%
	e) Business (Deposits + Advances) per employee (In Lakhs)	1038.96	936.13
	f) Profit per employee (In Lakhs)	(2.35)	2.48
11.	<b>Provision made in the year towards.</b>		
	NPA	22998.98	18486.06
	Depreciation in Investments	9015.53	2647.63

Sr. No.	Particulars	31.03.2018	31.03.2017
	Standard Assets	—	6.10
12.	a) Provisions on NPAs required to be made	25125.84	19614.86
	b) Provisions on NPAs actually made	25125.84	19614.86
13.	Movement in provisions		
	A. Towards NPAs (BDDR)		
	Opening Balance	21492.11	28132.11
	Add: Additions during the year	25125.85	19614.86
	Less: Closed/ Recovered/ Written Off	20975.35	26254.86
	Closing Balance	25642.61	21492.11
	B. Towards Standard Assets		
	Opening Balance	3903.83	3897.73
	Add: Additions during the year	0.00	6.10
	Less: Reduction during the year	184.16	0.00
	Closing Balance	3719.67	3903.83
	C. Towards Depreciation on Investments		
	Opening Balance	3932.01	1408.01
	Add: Additions during the year	9015.53	2524.00
	Less: Reduction during the year	0.00	0.00
	Closing balance	12947.54	3932.01
14.	Foreign Currency Assets and Liabilities		
	Foreign Currency Assets	16850.13	13811.91
	Foreign Currency Liabilities	16850.13	13811.91
15.	DICGC Premium paid up to date (no arrears thereof)	1768.85	1699.44

For computation of Priority Sector Lending, PSLC-General (Priority Sector Lending Certificate) of ₹ 50.00 Crores is held by the Bank during 30.01.2018 to 31.03.2018. This Amount of PSLC, ₹ 50.00 Crores is not considered as part of total advances.

16. During the course of soiled notes remittance of ₹ 1017.80 crores in the financial year 2017-18 excess/ shortage of banknotes was observed. RBI levied penalty for such excess/ shortage, of banknotes that amounted to ₹ 97500/- during the financial year 2017-18 while transacting in normal course of business.

For the Cosmos Co-op. Bank Ltd.,

**Suhas Gokhale**

Managing Director

**For M/S. Yardi Prabhu and Associates LLP**

Chartered Accountants

F.R.NO.111727W/ W100101

**Sudhan D. Yardi**

Partner

M.NO. 22887

(Statutory Auditor)

**FOR M/s. G.D. APTE & Co.**

Chartered Accountants

F.R.NO. 100515 W

**Saurabh Peshwe**

Partner

M. NO. 121546

(Statutory Auditor)

**FOR M/s. KIRTANE & PANDIT LLP**

Chartered Accountants

F.R.NO.105215W/W100057

**(Sandeep Welling)**

Partner

M.NO. 44576

(Statutory Auditor)

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(₹ In Lakhs)

	31.03.2018	31.03.2017
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit before Tax as per Profit and Loss A/c</b>	-9741.30	11583.89
Adjustments for -		
Depreciation on Fixed Assets	2738.10	2408.92
Loss on sale of Fixed Assets	0	0
Premium w/off	1545.57	1179.60
Bad Debts written off	20975.36	26254.85
Provisions	32447.56	21624.60
Goodwill w/off -merged banks	0	0
Interest paid on Funds	25.44	24.52
	47990.73	63076.38
Add:- Excess cash & Entrance fees, Surplus ARC money etc.	84.75	59.25
	48075.48	63135.63
Less:- Medical Assistance to members/staff /Death Benevolent	10.00	27.50
Less:-Share refund	0.00	0.00
Less : Amount paid to ceased members	0.03	0.01
Less:- Profit on sale of Assets ( net)	204.26	252.84
Less:- Credit from BDDR/excess prov.reversed/	21071.87	26510.38
Operating profit before working capital changes	26789.32	36344.90
Adjustments for -		
(Increase) / Decrease in Investment	12468.39	(35404.31)
(Increase) / Decrease in Advances	48041.22	(57362.50)
Increase / (Decrease) in Borrowings	-4727.41	23904.53
Increase / (Decrease) in Deposits	(71666.04)	42963.52
(Increase) / Decrease in Other Assets	735.32	(2546.30)
Increase /( Decrease) in Other Liabilities	(3681.16)	4652.93
Taxes paid	(3853.68)	(3717.06)
	(22683.36)	(27509.19)
Net cash generated from Operating Activities	4105.96	8835.71
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed Assets purchase	(641.39)	(1609.57)
Sale of Fixed Assets	225.51	408.06
Net Cash Flow from Investing activities	(415.88)	(1201.51)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue Of Shares ( Net of Refund / Adjustment )	(1132.26)	412.20
Dividend Paid	(73.13)	(2371.98)
Net Cash Flow from financing activities	(1205.39)	(1959.78)
Net Increase / (Decrease) in Cash & Cash equivalents	2484.69	5674.42
<b>Cash &amp; Cash Equivalents at the beginning of the year</b>	88709.80	83035.38
<b>Cash &amp; Cash Equivalents at the end of the year</b>	91194.49	88709.80
<b>NOTES</b>		
Cash & Cash Equivalents	<b>31.03.2018</b>	<b>31.03.2017</b>
1. Cash	8291.12	7929.82
2. Balances with RBI	68536.01	64773.59
2. Balances with other Banks Held In CA Accounts	14367.36	16006.39
	91194.49	88709.80

Above Cash Flow Statement has been prepared using indirect method.

**Archana Joshi**  
 Asst. General Manager

**FOR M/s. YARDI PRABHU & ASSOCIATES LLP**  
 Chartered Accountants  
 F.R.NO.111727W/ W100101

**(Sudhan Yardi)**  
 Partner  
 M. No. 22887  
 (Statutory Auditor)

**Suhas Gokhale**  
 Managing Director

**FOR G.D. APTE & CO.**  
 Chartered Accountants  
 F.R.NO.100515W

**(Saurabh Peshwe)**  
 Partner  
 M.NO. 121546  
 (Statutory Auditor)

**FOR M/s. KIRTANE & PANDIT LLP**  
 Chartered Accountants  
 F.R.NO.105215W/W100057

**(Sandeep Welling)**  
 Partner  
 M.NO.44576  
 (Statutory Auditor)

## INDEPENDENT STATUTORY AUDITOR'S REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

(Under Section 31 of the Banking Regulation Act, 1949 and Section 73(4) of Multi State Co-Operative Societies Act, 2002 and Rule 27 of Multi State Co-Operative Societies Rules)

**To,  
The Members,  
The Cosmos Co-operative Bank Ltd.**

### Report on the Financial Statements

1. We have audited the accompanying financial statements of **The Cosmos Co-operative Bank Limited** as at **31<sup>st</sup> March, 2018**, which comprise the Balance Sheet as at **31<sup>st</sup> March, 2018**, and the Profit and Loss Account, and the cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information. The returns of Head Office and its departments and 140 branches, out of which, 49 branches are audited by Kirtane & Pandit LLP, Chartered Accountants, 43 branches are audited by G. D. Apte & Co., Chartered Accountants and 48 branches are audited by Yardi Prabhu & Associates LLP, Chartered Accountants, which are consolidated in these financial statements. Since all the branches are subjected to statutory audit, the matter of submission of details of percent of advances /deposits /interest income / interest expense of unaudited branches is not applicable.

### Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with provisions of The Banking Regulations Act, 1949, Multi State Co-operative Societies Act, 2002 and The Multi State Co-operative Societies Rules, 2002 (as applicable), the guidelines issued by the Reserve Bank of India and The Central Registrar of Co-operative Societies and accounting principles generally accepted in India so far as applicable to Banks. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### 6. Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements together with the notes thereon and our observations and comments given in the Audit Memorandum, give the information required by the Banking Regulation Act, 1949, the Multi State Co-operative Societies Act, 2002 and Multi State Co-operative Societies Rules, 2002 and guidelines issued by Reserve Bank of India and the Central Registrar of Co-operative Societies, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in case of the **Balance Sheet**, of the **state of affairs** of the Bank as at **31<sup>st</sup> March, 2018**;
- (ii) in case of the **Profit and Loss Account**, of the **loss** for the year ended on that date; and
- (iii) in case of the **Cash Flow Statement**, of the **cash flows** for the year ended on that date.

### 7. Emphasis of Matters

Without qualifying our opinion, attention is invited to Note 4 which states that withdrawal is made from the Reserve for Unforeseen Losses (created u/s 63(1) of the Multi State Cooperative Societies Act, 2002) in order to absorb the unforeseen losses due to unprecedented fall in the market values in Government Securities.



## Report on Other Legal and Regulatory Requirements

8. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the 3rd schedule to the Banking Regulation Act, 1949 and The Multi State Co-operative Societies Act, 2002, the Multi State Co-operative Societies Rules, 2002.
9. As required by section 73(4) of the Multi State Co-operative Societies Act, 2002, we report that:
- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.
  - (b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the branches / offices not visited by us.
  - (c) As required by Section 30(3) of the Banking Regulation Act, 1949, we further report that the transactions of the Bank which came to our notice have been within the powers of the Bank.
  - (d) The Balance Sheet and the Profit and Loss Account dealt with by this report, are in agreement with the books of account and the returns.
  - (e) The reports on the accounts of the branches audited by branch auditors have been forwarded to us and have been properly dealt with by us in preparing this Report.
  - (f) The accounting standards adopted by the Bank are consistent with those laid down by accounting principles generally accepted in India so far as applicable to Banks.
10. In addition to para 8 above as required by Rule 27(2)(d) and (e) of the Multi State Co-operative Societies Rules, 2002 we further report that:
- (i) In our opinion and according to information and explanations given to us, we have not noticed any material impropriety or irregularity in the expenditure or in the realization of money due to the bank;
  - (ii) In our opinion and according to information and explanations give to us, the guidelines issued by the Reserve Bank of India have generally been adhered to. Since the Bank has neither accepted deposits nor received subsidy from National Bank for Agriculture and Rural Development, our comments regarding adherence of guidelines issued by the said Bank are not called for.
  - (iii) As required by Rule 27(3) (a) to (f) of the Multi State Co-operative Societies Rules, 2002 we give in the annexure, a schedule on the matters specified in the said Rule.

**For M/s G.D. Apte & Co.**  
Chartered Accountants  
F.R.NO.100515 W

**Saurabh S. Peshwe**  
Partner  
M.No.: 121546  
(Statutory Auditor)

Date: July 28, 2018  
Place: Pune

**For Kirtane & Pandit LLP**  
Chartered Accountants  
F.R.NO. 105215W/W100057

**Sandeep D. Welling**  
Partner  
M. No. 044576  
(Statutory Auditor)

**For Yardi Prabhu & Associates LLP,**  
Chartered Accountants  
F.R.NO.111727W/ W100101

**Sudhan D. Yardi**  
Partner  
M. No. 022887  
(Statutory Auditor)

## ANNEXURE TO INDEPENDENT STATUTORY AUDITOR'S REPORT FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

**(As referred in Clause 10 of our report of even date as on 31<sup>st</sup> March, 2018)**

As required by the Rule 27(3) of the Multi-State Co-operative Societies Rules, 2002, we report on the matters specified in clauses (a) to (f) of the said Rule to the extent applicable to the Bank.

- (a) During the course of our audit, we have generally not come across transactions which appear to be contrary to the provisions of the Act, the Rules or the Bye-Laws of the Bank.
- (b) During the course of our audit, we have not come across material and significant transactions which appear to be contrary to the guidelines issued by the Reserve Bank of India. Since the Bank has neither accepted deposits nor received subsidy from National Bank for Agriculture and Rural Development, our comments regarding transactions contrary to the guidelines issued by the said Bank are not called for.
- (c) The following Advances are categorized as doubtful and loss assets as per prudential norms of RBI as on 31.03.2018 and reported in terms of Clause "C" of Rule 27(3) of the Multistate Co-operative Societies Rules, 2002:

Category	Amount Outstanding as on 31.03.2018 (₹ in lakhs)
Doubtful Assets	70230.54
Loss Assets	0.00
<b>Total</b>	<b>70230.54</b>

\* A Provision of ₹ 22,500.13 Lakhs has been made against the above advances.

- (d) As per the information provided to us and to the best of our knowledge, the following credit facilities have been sanctioned by the Bank to the members of the Board or their relatives:

Particulars	Amount outstanding (₹ in lakhs)	Security Value (₹ in lakhs)	Overdues, if any (₹ in lakhs)
Fund Based	13.51	25.21	NIL
Non Fund Based	NIL	NIL	NIL

- (e) During the course of our audit, we have generally not come across any violations of guidelines, conditions etc. issued by the Reserve Bank of India. Since the Bank has neither accepted deposits nor received subsidy from National Bank for Agriculture and Rural Development, our comments regarding violations of guidelines issued by the said Bank are not called for.
- (f) To the best of our knowledge, no other matters have been specified by The Central Registrar of Co-operative Societies, which require reporting under this Rule.

**For Kirtane & Pandit LLP**  
Chartered Accountants  
FRN 105215W/W100057

**Sandeep D. Welling**  
Partner  
M. No. 044576  
(Statutory Auditor)

Date: 28.07.2018  
Place: Pune

**For Yardi Prabhu & Associates LLP.,**  
Chartered Accountants  
F.R.No.111727W/ W100101

**Sudhan D. Yardi**  
Partner  
M. No. 022887  
(Statutory Auditor)

**For M/s G.D. Apte & Co.**  
Chartered Accountants  
F.R.NO.100515 W

**Saurabh Peshwe**  
Partner  
M.No.: 121546  
(Statutory Auditor)

**Statement showing particulars Loans & Advances to Directors & their Relatives outstanding as on 31<sup>st</sup> March 2018 (As per Multi-State Co.op. Society Act, 2002 Section 39(3))**

३१ मार्च २०१८ अखेर संचालक व त्यांचे नातेवाईकांना दिलेल्या कर्जाची येणे बाकी दर्शविणारा तक्ता  
 (मल्टिस्टेट को-ऑप. सोसायटी अॅक्ट २००२ कलम ३९ (३) अन्वये सादर)

Sr. No. अ.क्र.	Particulars तपशील	Amount of Loan outstanding at the end of the year 31.03.2018 वर्ष अखेरीस कर्ज येणे रक्कम (३१.३.२०१८) ₹
1.	Directors / संचालक	365,056.26
2.	Directors Relatives / संचालकांचे नातेवाईक	985,918.29
	<b>Total एकूण ₹</b>	<b>1,350,974.55</b>

Note: Outstanding Credit balance is not considered, Hence security value of that particular deposit loan is also excluded.

**CLASSIFICATION OF OVERDUES - TERMWISE AS ON 31<sup>ST</sup> MARCH 2018**

**थकबाकी दर्शविणारा तक्ता ३१ मार्च २०१८ अखेर**

Sr. No. अ.क्र.	Type of Loan कर्ज प्रकार	No. of a/cs. कर्जदार संख्या	Outstanding Balance येणे कर्ज बाकी ₹	No. Defaulters / थकबाकीदार				Overdues Amount / थकबाकी रक्कम				% to out-standing थकबाकी शेकडा प्रमाण
				Arbt लवादी	Non-Arbt बिगर लवादी	Awrđ दाखला मिळालेले	Total एकूण	Arbitrary लवादी ₹	Non -Arbitrary बिगर लवादी ₹	Awarded वसुली दाखला मिळालेली खाती ₹	Total एकूण ₹	
1	Short Term Advances अल्प मुदत कर्जे	13479	48,86,56,46,128.21	0	82	16	98	0.00	321,97,40,829.57	35,58,97,007.52	357,56,37,837.09	3.32
2	Medium Term Advances मध्यम मुदत कर्जे	16636	19,58,34,68,267.36	0	713	44	757	0.00	97,41,44,064.31	39,29,90,635.17	136,71,34,699.48	1.27
3	Long Term Advances दीर्घ मुदत कर्जे	14399	39,26,02,03,500.95	1	1421	42	1464	3,83,623.00	124,13,68,596.45	43,44,60,094.05	167,62,12,313.50	1.56
	<b>Total/ एकूण</b>	<b>44514</b>	<b>107,70,93,17,896.52</b>	<b>1</b>	<b>2216</b>	<b>102</b>	<b>2319</b>	<b>3,83,623.00</b>	<b>543,52,53,490.33</b>	<b>118,33,47,736.74</b>	<b>661,89,84,850.07</b>	<b>6.15</b>

AMOUNT-WISE CLASSIFICATION OF THE DEPOSITORS AS ON 31<sup>ST</sup> MARCH 2018

ढेव रकमेनुसर ढेवीदारांचे वर्गीकरण शेकडा प्रमाण ३१ मार्च २०१८

Deposit Amount ढेव रक्कम	₹ 0.00 to 10000.00	₹ 10000.01 to 50000.00	₹ 50000.01 to 100000.00	₹ 100000.01 & Above	Total एकूण
Depositor / ढेवीदार	878027	428193	253640	305059	1864919
Percentage (%) to total Depositors एकूण ढेवीदारांशी शेकडा प्रमाण	47.08	22.96	13.60	16.36	100.00

Rounded off to nearest digit.

OUTSTANDING AMOUNTWISE CLASSIFICATION OF ACCOUNTS AND BORROWERS AND ITS  
PERCENTAGE TO TOTAL ACCOUNTS AND BORROWERS AS ON 31<sup>ST</sup> MARCH 2018

कर्ज येणेबाकी रकमेनुसर खातेदारांची संख्या व त्यांचे एकूण कर्जदारांशी शेकडा प्रमाण ३१ मार्च २०१८ अखेर

Loan Amount कर्ज रक्कम	₹ 1/- to 50,000/-	₹ 50,001/- to 1,00,000/-	₹ 1,00,001 to 10,00,000/-	₹ 10,00,001 to 25,00,000/-	₹ 25,00,001/- to 50,00,000/-	₹ 50,00,001/- and above	Total एकूण
No. of Accounts एकूण खाते संख्या	9254	5821	18471	5530	1607	3831	44514
Percentage to Total Accounts एकूण खात्यांशी शेकडा प्रमाण	20.79%	13.08%	41.49%	12.42%	3.61%	8.61%	100.00%
No. of Borrower एकूण खाते संख्या	8812	5446	15359	4180	1122	1523	36442
Percentage to Total Borrowers एकूण खात्यांशी शेकडा प्रमाण	24.18%	14.94%	42.15%	11.47%	3.08%	4.18%	100.00%

PURPOSE WISE CLASSIFICATION OF LOANS AS ON 31<sup>ST</sup> MARCH 2018

कर्ज तक्ता ३१ मार्च २०१८ अखेर

(Amount in lakhs)

Particulars तपशील	No. of Accounts खाते संख्या	Amount of Loans कर्ज रक्कम ₹	% to Total Loans शेकडा प्रमाण
Industrial औद्योगिक	3510	533426.20	49.52%
Trade व्यापारी	2342	186577.44	17.31%
Allied to Agriculture शेतीपूरक उद्योग	653	25402.80	2.36%
Service Industry सेवासुविधा उद्योग	1008	110271.99	10.24%
Builders बांधकाम व्यावसायिक	129	26564.09	2.47%
Housing Construction & Repairs घरबांधणी व दुरुस्ती	21718	115322.07	10.71%
Consumption वैयक्तिक	14018	49093.28	4.56%
Professional & Self Employed स्वयंरोजगार	921	28000.59	2.60%
Transport Operator वाहतूक व्यवसाय	215	2434.72	0.23%
<b>Total एकूण</b>	<b>44514</b>	<b>1077093.18</b>	<b>100%</b>

# Cosmos e-Solutions & Services Private Limited

(WHOLLY OWNED SUBSIDIARY OF THE BANK)

Registration No. as per the Ministry of Corporate Affairs: U72300PN2007PTC130195 /2007-2008, dt. 23-05-2007

Reserve Bank License No.: UBD.CO.BPD.MIS.3722/16.07.00/2010-2011, dt. 25-10-2010

## Board of Directors

**Dr. Mukund Abhyankar**

Chairman

**Ashutosh Joshi**

Director

**Arti Dhole**

Managing Director

## Management

**Rajendra Godbole**, Associate Vice-President

## Statutory Auditors

**M/s. Gokhale & Sathe**

Chartered Accountants

## Bankers

**The Cosmos Co-op. Bank Limited**

# Cosmos e-Solutions & Services Private Limited

## DIRECTORS' REPORT

To,

### The Shareholders:

Your Board of Directors are pleased to present the eleventh Annual Report on the business operations of the Company and the audited financial statements for the period ended March 31, 2018.

Particulars	For the year ended March 31, 2018 ₹	For the year ended March 31, 2017 ₹
Revenue from operations	14,05,90,848	13,57,82,397
Other income	6,53,643	5,213
Total income	14,12,44,491	13,57,87,609
Operating expenses excluding depreciation and amortization	10,34,66,357	10,15,95,966
Profit before depreciation and tax	3,77,78,134	3,41,91,644
Depreciation and amortization	58,40,163	77,52,998
Profit before tax	3,19,37,971	2,64,38,646
Current Tax	96,40,000	90,50,000
Deferred Tax	(10,24,475)	(2,80,277)
Exceptional Items Gain / (Loss)	(11,66,041)	-
Profit after tax	2,21,56,405	1,76,68,923
Share Capital	25,00,000	25,00,000
Reserves and Surplus	7,23,05,328	5,31,57,863

### DIVIDEND

In the meeting of the Board of Directors held on 20th February, 2018 payment of interim dividend for the year under consideration @ ₹ 100 per share was approved and accordingly, your Company paid an interim dividend on 3rd March, 2018. Total outflow on this account was ₹ 30,08,940/- (including Corporate Dividend Tax of ₹ 5,08,940/-)

Your Board of Directors has not recommended any final dividend for the year under consideration.

### TRANSFER TO RESERVES

Your Board does not propose any transfer to reserves from the current year's profit.

### DEPOSITS

Your Company has not accepted any deposits from the public during the year under review.

### THE STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Cosmos Co-operative Bank Limited, the parent organisation of the Company continues to be Company's

principal client. The initiatives taken by the management to reduce dependency on a single client are expected to show favourable results in the near future.

Your Company always endeavours to deliver smart and reliable solutions to our banking customers. We envision the needs of various banks and design innovative products and services that fulfil current and future banking requirements with ease. Digital channel remains core focus.

The Financial Year 2017-18 was one of the significant year in terms of growth and sustainability. Your Company had been able to achieve satisfactory turnover during the reported financial year.

Your Company received Financial Express Award for Best mobility solution for the TAB banking product. "TabBanc" - Tablet based Doorstep Banking Solution allows banks to provide various banking services to its existing as well as potential customers at their doorstep and to digitalize the entire banking process. Your Company has already sold this product to a few Banks in India and exploring the new opportunities.

Your Company has developed and implemented the "IM BANKING" solution which is a HYBRID Mobile application. This application allows the customer to operate internet and mobile banking with single user id and Password.

Company is providing the ATM switching services to the banking clients as per the rules and regulations of NPCI. The company has achieved the PCIDSS certification to ensure the cardholder's data security of their banking customers.

Your Company has invested in the development of the Unified Payment Interface platform to increase the cashless transactions and achieve the financial inclusion which is the new-age initiative by NPCI towards the digital India. The company intends to offer this solution as a service to other banks to enable the instant real-time and secure payments based on the virtual ID.

Your Company has started its Finacle journey two years back when Infosys, which is a global leader in technology services and consulting has declared Cosmos eSolutions & services Pvt. Ltd as its implementation partner. Cosmos eSolutions has set up an Excellence Centre with Finacle 7x and 10x infrastructures at its Head Office and has been able to create talents in-house.

The company leverage its in-depth domain and functional expertise, leading technology practices and a consultative approach to enable its employees to deliver business solutions for all banking clients.

With the team of 100+ banking domain and technical consultants having more than average 13 years of experience of managing Finacle Core Banking Solution with all other banking channels and systems, the team has built very niche capabilities in Banking technologies to provide the suit of

## Cosmos e-Solutions & Services Private Limited

products where the Company can run an entire Bank in 'Bank in a Box' model. This year the company has acquired the implementation orders from 3 UCBs.

Your Company has a focus towards introducing a broad range of banking functions using the best of security and technology to ensure continuous evolution in the business lifecycle.

Digital innovation has been the prime driver across businesses for the last couple of years. It has got further impetus with emphasis on artificial intelligence, chatbots and machine learning enabling your Company to offer a superior customer experience.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

There are no contracts or arrangements made with related parties referred to in Section 188(1) of the Companies Act, 2013.

### **THE CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There have been no material changes in the nature of business of the Company in the financial year 2017-18.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no instances of any material changes and commitments affecting the financial position of the company.

### **THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

The Company has no subsidiaries or associate companies.

### **BOARD MEETINGS**

During the financial year 2017-18, four meetings were held.

### **THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

There were no changes in the constitution of the Board of Directors during the period under review.

The Company was not required to appoint KMP.

### **AUDIT COMMITTEE**

The provisions of Section 177 of the Companies Act, 2013 relating to constitution of Audit Committee are not applicable to the Company.

### **MAINTENANCE OF COST RECORDS**

Provisions of Section 148 of the Companies Act, 2013 regarding maintenance of cost records are not applicable to

the Company. Hence there is no disclosure under this head.

### **AUDITORS' REPORT**

Auditors of the Company have not given any qualification, reservation, adverse remark or disclaimer in their report annexed to the audited financial statements.

### **STATUTORY AUDITORS**

M/s Gokhale & Sathe having Firm Registration No: 103264W, Chartered Accountants, the auditors of the Company were appointed for 5 years w.e.f. the conclusion of the Annual General Meeting held in the year 2014 till the conclusion of the Annual General Meeting to be held in the year 2019 subject to ratification by members in every AGM.

With notification of amendment to Section 139 by the Companies (Amendment) Act, 2017, provision for ratification of appointment of auditors at every Annual General Meeting of the Company has been omitted. Accordingly, it is brought to the notice of the members that, till 2019, ratification of appointment of M/s Gokhale & Sathe, Chartered Accountants having Firm Registration No: 103264W, at every Annual General Meeting by the members of the Company will not be required.

### **SIGNIFICANT AND MATERIAL ORDERS**

There are no significant or material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **EXTRACT OF ANNUAL RETURN**

In accordance with Section 134(3)(a) of the Companies Act, 2013, an extract of the annual return in the prescribed format is appended as Annexure 2 to the Board's report.

### **INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and timely preparation of reliable financial disclosures.

### **HUMAN RESOURCE**

The Company is recruiting employees at a gradual pace. All employees to perform key functions of the company and the support staff has been appointed.

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

Your Company has a policy in place to address the issues relating to the sexual harassment of women at work place and has setup a committee in that regard. During the year ended 31st March, 2018, there were no cases filed/reported pursuant to the Sexual Harassment of women at workplace (Prevention,



prohibition and Redressal) Act, 2013. Further, Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is duly constituted.

#### **MATTERS REQUIRED TO BE REPORTED UPON AS PER THE SECTION 134(1)(M) OF THE COMPANIES ACT, 2013**

In pursuance of the above requirements, we report as follows:

a) **Conservation of Energy**

The Company is engaged in rendering services in Information Technology field and electricity cost is not a major component of total cost. The Company recognizes the need and importance of conservation of energy. The Company uses energy efficient electrical and electronic equipment.

b) **Technology absorption, adoption and innovation**

As the Company is not engaged in any manufacturing activities, this section does not apply to the Company. The Company's employees keep upgrading their professional skills and are aware of the latest developments in the financial markets.

c) **Foreign exchange earnings and outgo:-**

Foreign exchange outgo during the year NIL

Foreign exchange earnings during the year NIL

#### **A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY**

#### **INTERNAL CONTROL AND RISK MANAGEMENT POLICY STATEMENT:**

The Company has put in place adequate systems of internal controls commensurate with its size and nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of corporate policies.

For each critical activities, the Company has documented areas of risks and required checks for these activities and functions. This list is reviewed and updated on annual basis to ensure the risk profiling of all the activities are up-to date and in line with the actual/updated process flow.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Your Company has not granted loans, issued guarantees or made investments in terms of provisions of Section 186 of the Companies Act, 2013.

#### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS**

The Company is not required to appoint independent directors. Therefore, there is no requirement of including a statement on declarations given by independent directors under sub-section (6) of Section 149 of the Companies Act, 2013.

#### **COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

There is no requirement to constitute the Nomination and Remuneration Committee as provided in Section 178 of the Companies Act, 2013, thus the policy in that regard is not determined by the Board of Directors.

#### **REPORT ON CORPORATE SOCIAL RESPONSIBILITY**

As the Company does not fall under the criteria prescribed under Section 135 of the Companies Act, 2013, disclosure under this head is not required.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, it is hereby confirmed;

- that in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards have been followed;
- that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors have prepared the annual accounts for the financial year ended 31st March, 2018 on a 'going concern' basis.
- that the directors have devised proper systems to ensure compliance with the provisions of applicable laws and that such systems were adequate and operating effectively..

#### **ACKNOWLEDGEMENT:**

The Directors wish to place on record their sincere appreciation to all employees of the Company for their dedication and focused attitude.

For and on behalf of the Board of Directors,

**Dr. Mukund Abhyankar**

Chairman

DIN –00881021

Place: Pune

Dated: 09.08.2018

## **Cosmos e-Solutions & Services Private Limited**

### **INDEPENDENT AUDITOR'S REPORT**

To,

The members of Cosmos e-Solutions & Services Private Limited

#### **Report on the financial statements**

#### **I. REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of Cosmos e-Solutions & Services Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### **II. MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **III. AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit.

While conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and the Guidance Note require that we

comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **IV. OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its PROFIT and its cash flows for the year ended on that date.

#### **V. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended).
- e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of Section 143(11) of the Act and on the basis of such checks of books and records of the company as we considered appropriate and according to information and explanation given to us, we give in Annexure a statement on the matters specified in paragraphs 3 & 4 of the Order.

For **GOKHALE & SATHE**  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No.: 103264W

**GAURI S. BEDEKAR**  
 PARTNER  
 Membership No: 108207

Place: Pune  
 Date: 09.08.2018

## Cosmos e-Solutions & Services Private Limited

### FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018

#### ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under the heading of "Report on Other Legal and Regulatory Requirements" section of our report of even date on the accounts for the year ended 31<sup>st</sup> March, 2018 of Cosmos e-Solutions & Services Private Limited ("the Company")]

In the Annexure, as required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143 (11) of the Companies Act 2013, on the basis of checks, as we considered appropriate, we report on the matters specified in paragraph 3 and 4 of the said order to the extent applicable to the company

- i) a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets for the year under audit in the soft (computerized) form.
- b) We have been informed that the physical verification of fixed assets was carried out by the management during the year, which in our opinion is reasonable having regard to the nature of the assets. We have been informed that no material discrepancy was noticed on such verification.
- c) According to the information and explanation given by the management and based on the examination of records, the company has title deeds of immovable property, comprising of building premise recorded as fixed assets in the books of account, held in the name of the Company as on the balance sheet date.
- ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals. No material discrepancies were noticed on such physical verification.
- iii) The company has not granted any loan, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence reporting under clause 3(iii) of the order is not applicable.
- iv) The Company has not granted any loans, made investments or provided guarantees as referred to the Section 185 and 186 of the Act and hence reporting under clause 3(vi) of the order is not applicable.
- v) In our opinion and according to the information and explanations provided to us, the Company has not accepted any deposits during the year and hence the directives issued by Reserve Bank of India and provisions

of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company.

- vi) According to the information and explanations given to us and as per the representation made by the management and relied upon by us, the Central Government has not prescribed maintenance of cost records by the Company under section 148 of the Act.
- vii) a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, VAT, Service Tax, GST, Cess and other material statutory dues as applicable to it.  
  
According to the information and explanation given to us, no undisputed amounts are payable in respect aforesaid dues, as at 31<sup>st</sup> March, 2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, the Company has no statutory dues including Provident Fund, Employees' State Insurance, Income Tax, VAT, Service Tax, GST, Cess and other material statutory dues as applicable to it which have remained unpaid on account of dispute.
- viii) According to information and explanation given to us, the Company has not availed any loan or borrowing from banks, financial institutions, Government and debenture holders and hence reporting under clause 3(viii) of the order is not applicable.
- ix) According to information and explanation given to us and records of the Company examined by us, the company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) or through term loan and hence reporting under clause 3(ix) of the order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- xi) The Company being a private limited company, the reporting requirements under clause 3 (xi) of the Order relating to managerial remuneration are not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi

company. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.

xiii) According to the information and explanations given to us and based on our examinations of the records of the Company, transactions with the related parties are in compliance with Sections 188 and 177 of the Act. The details of related party transactions have been disclosed in the financial statements, as the disclosure requirements under Accounting Standard (AS) 18- Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv) According to the information and explanations given to us and based on our examination of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, and hence reporting under clause 3(xiv) of the order is not applicable.

xv) According to the information and explanations given to us and based on our examination of the records, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions of paragraph 3 (xv) of the Order are not applicable.

xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly the provisions of Clause 3 (xvi) of the Order are not applicable to the Company.

For **GOKHALE & SATHE**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.: 103264W

**GAURI S. BEDEKAR**  
PARTNER  
Membership No: 108207

Place: Pune  
Date: 09.08.2018

## Cosmos e-Solutions & Services Private Limited

### BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2018

Particulars	Note No.	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	25,00,000	25,00,000
(b) Reserves and Surplus	4	7,23,05,328	5,31,57,863
<b>(2) Non-Current Liabilities</b>			
(a) Long Term Provisions		29,39,514	—
<b>(3) Current Liabilities</b>			
(a) Trade payables		2,22,74,436	21,54,524
(b) Other current liabilities	5	1,85,06,558	1,39,41,301
<b>Total</b>		<b>11,85,25,836</b>	<b>7,17,53,688</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	6		
(i) Tangible assets		2,16,25,331	2,48,52,246
(ii) Intangible assets		53,10,366	49,22,400
(b) Deferred Tax Assets (Net)		2,88,355	(7,36,120)
(c) Long term loans and advances	7	32,27,088	29,27,212
<b>(2) Current assets</b>			
(a) Trade receivables	8	2,42,40,845	1,23,05,214
(b) Inventories	9	2,78,07,930	7,00,875
(c) Cash and cash equivalents	10	1,77,67,749	31,38,215
(d) Short-term loans and advances	11	20,61,029	32,26,508
(e) Other current assets	12	1,61,97,143	2,04,17,138
<b>Total</b>		<b>11,85,25,836</b>	<b>7,17,53,688</b>

The accompanying notes are an integral part of the financial statements.

See Notes to and forming part of Financial Statements 1 to 32

As per our report of even date attached,

**For Gokhale & Sathe**  
Chartered Accountants  
Firm Registration No: 103264W

**For and on behalf of the Board of Directors of**  
Cosmos e-Solutions & Services Private Limited

**Gauri S Bedekar**  
Partner  
Membership No: 108207

**Dr. Mukund Abhyankar**  
Director  
DIN: 00881021

**Ashutosh Joshi**  
Director  
DIN: 00546675

**Arti Dhole**  
Managing Director  
DIN: 07670787

Place: Pune  
Date: 09.08.2018

Place: Pune  
Date: 09.08.2018

## Cosmos e-Solutions & Services Private Limited

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2018 ₹	Year ended 31 <sup>st</sup> March, 2017 ₹
<b>Income</b>			
<b>I. Revenue from operations</b>	<b>13</b>	<b>14,05,90,848</b>	<b>13,57,82,397</b>
<b>II. Other Income</b>	<b>14</b>	<b>6,53,643</b>	<b>5,213</b>
<b>Total Revenue (I)</b>		<b>14,12,44,491</b>	<b>13,57,87,609</b>
<b>II. Expenses:</b>			
Changes in inventories of Stock-in-Trade & Finished Goods		<b>(2,71,07,055)</b>	<b>(7,00,875)</b>
Expenses relating operating activity	<b>15</b>	<b>5,55,41,075</b>	<b>2,95,07,508</b>
Employee benefit expense	<b>16</b>	<b>7,00,77,361</b>	<b>6,51,11,435</b>
Depreciation and amortization expense	<b>6</b>	<b>58,40,163</b>	<b>77,52,998</b>
Other expenses	<b>17</b>	<b>49,54,976</b>	<b>76,77,898</b>
<b>Total Expenses (II)</b>		<b>10,93,06,520</b>	<b>10,93,48,964</b>
<b>III. Profit before exceptional and extraordinary items and tax (I)-(II)</b>	<b>(III)</b>	<b>3,19,37,971</b>	<b>2,64,38,646</b>
<b>Exceptional Items Gain / (Loss)</b>	<b>18</b>	<b>(11,66,041)</b>	<b>—</b>
<b>IV. Tax expense:</b>			
(1) Current tax		<b>96,40,000</b>	<b>90,50,000</b>
(2) Deferred tax		<b>(10,24,475)</b>	<b>(2,80,277)</b>
<b>Total Tax Expense (IV)</b>		<b>86,15,525</b>	<b>87,69,723</b>
<b>V. Profit/(Loss) for the period from continuing operations</b>	<b>(III-IV)</b>	<b>2,21,56,405</b>	<b>1,76,68,923</b>
Profit/(Loss) for the period		<b>2,21,56,405</b>	<b>1,76,68,923</b>
<b>VI. Earning per equity share:</b>	<b>23</b>		
(1) Basic		<b>886.26</b>	<b>706.76</b>
(2) Diluted		<b>886.26</b>	<b>706.76</b>

The accompanying notes are an integral part of the financial statements.  
See Notes to and forming part of Financial Statements 1 to 32

As per our report of even date attached,

**For Gokhale & Sathe**  
Chartered Accountants  
Firm Registration No: 103264W

**For and on behalf of the Board of Directors of**  
Cosmos e-Solutions & Services Private Limited

**Gauri S Bedekar**  
Partner  
Membership No: 108207

**Dr. Mukund Abhyankar**  
Director  
DIN: 00881021

**Ashutosh Joshi**  
Director  
DIN: 00546675

**Arti Dhole**  
Managing Director  
DIN: 07670787

Place: Pune  
Date: 09.08.2018

Place: Pune  
Date: 09.08.2018



## Cosmos e-Solutions & Services Private Limited

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

Particulars		As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
<b>A) Cash Flow From Operating Activities</b>			
Net profit before tax		3,07,71,930	2,64,38,646
Depreciation and amortisation		58,40,163	77,52,998
Preliminary expenses written off		—	—
<b>Operating profit before working capital changes</b>		<b>3,66,12,093</b>	<b>3,41,91,644</b>
Adjustments for:			
Interest received		(3,54,585)	-
Increase/(Decrease) in Trade Payable		2,01,19,912	(27,10,962)
Increase/(Decrease) in Other current liability		45,65,257	1,01,38,674
Increase/(Decrease) in Short Term Provision		—	(5,08,950)
Increase/(Decrease) in Long Term Provision		29,39,514	—
(Increase)/Decrease in Trade receivables		(1,19,35,632)	(95,85,390)
(Increase)/Decrease in Short term loan and advances		11,65,479	(9,80,119)
(Increase)/Decrease in Other Current Assets & Inventory		(2,28,87,060)	(1,48,75,347)
<b>Cash Generated from Operations</b>		<b>3,02,24,978</b>	<b>1,56,69,550</b>
<b>Income Tax Paid (Net of Refund)</b>		<b>(99,39,876)</b>	<b>(90,60,788)</b>
<b>Net cash flow from operating activities</b>	<b>A</b>	<b>2,02,85,102</b>	<b>66,08,762</b>
<b>B. Cash flow from investing activities</b>			
Purchase of fixed assets		(30,01,214)	(10,59,902)
Interest received		3,54,585	—
<b>Net cash flow from investing activities</b>	<b>B</b>	<b>(26,46,629)</b>	<b>(10,59,902)</b>
<b>C. Cash flow from financing activities</b>			
Dividend paid		(25,00,000)	(25,00,000)
Dividend Distribution tax paid		(5,08,940)	(5,08,960)
<b>Net cash flow from financing activities</b>	<b>C</b>	<b>(30,08,940)</b>	<b>(30,08,960)</b>
<b>Net increase in cash and cash equivalents (A) + (B) + (C)</b>		<b>1,46,29,534</b>	<b>25,39,900</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>31,38,215</b>	<b>5,98,315</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>1,77,67,749</b>	<b>31,38,215</b>

#### Notes to Cash Flow Statement :

- Cash and cash equivalents represent cash and bank balances and non-lien marked Fixed Deposits
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India
- The preceeding year figures have been regrouped wherever required.

As per our report of even date attached,

**For Gokhale & Sathe**  
Chartered Accountants  
Firm Registration No: 103264W

**For and on behalf of the Board of Directors of**  
Cosmos e-Solutions & Services Private Limited

**Gauri S Bedekar**  
Partner  
Membership No: 108207

**Dr. Mukund Abhyankar**  
Director  
DIN: 00881021

**Ashutosh Joshi**  
Director  
DIN: 00546675

**Arti Dhole**  
Managing Director  
DIN: 07670787

Place: Pune  
Date: 09.08.2018

Place: Pune  
Date: 09.08.2018

# Cosmos e-Solutions & Services Private Limited

## NOTES TO FINANCIAL STATEMENTS

### 1 Background

Cosmos e-Solutions & Services Private Limited ('the Company') was incorporated on 23<sup>rd</sup> Mar, 2007 under the Companies Act, 1956 ('the Act'), and is a wholly owned subsidiary of The Cosmos Co-operative Bank Limited.

The Company is primarily engaged in the business of rendering Information Technology related services in the banking sector.

### 2 Summary of significant accounting policies

#### 2.1 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, on the accrual basis of accounting and on going concern basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The Company has prepared these financial statements to comply, in all the material aspects with Accounting Standards.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### 2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles ('GAAP') requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Management believes that the estimates made in the preparation of the financial statements are prudent and reasonable. Accounting estimates could change from period to period. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### 2.3 Revenue recognition

Revenue is primarily derived from Information Technology (IT) Support and related services. Arrangements with the customers are either on fixed price, fixed time frame or on a time and material basis. Revenues from the end of last billing to the Balance Sheet date are recognised as unbilled revenues.

Annual Technical Services revenue and revenue from fixed-price maintenance contracts are recognized rateably over the period in which services are rendered.

Revenue from the sale of software application user licenses is recognised on transfer of the title of such user license, except in case of multiple element contracts, which require significant implementation services, where revenue for the entire arrangement is recognised over the implementation period based upon the percentage completion method.

Revenue from client training support and other services arising due to the sale of software products is recognised as and when the related services are performed.

Revenue from sale of software products, client support and other services is recognized as and when the services are performed.

Interest income is recognized using the time proportionate method, based on rates implicit in the transaction.

The Company presents revenue net of indirect taxes in its Statement of Profit and Loss

#### 2.4 a. Tangible assets and capital work-in-progress

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Cost comprises of purchase price and any attributable cost such as duties, freight, borrowing costs, erection and commissioning expenses incurred in bringing the asset to its working condition for its intended use.

Capital work-in-progress comprises the cost of assets that are not yet ready for their intended use at the reporting date.

Borrowing costs, if any, attributable to assets, are capitalized in accordance with provisions of AS -16

#### b. Impairment

The carrying amounts of assets are reviewed at each balance sheet date. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the Company has measured its 'value in use' on the basis of undiscounted cash flows of next five years projections estimated based on current prices

#### 2.5 Intangible assets

Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

Research costs are debited to statement of Profit and Loss as and when incurred.

Software product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, future economic benefits are probable, the Company has an intention and ability to complete and use or sell the software and the costs can be measured reliably.

## **2.6 Depreciation and amortisation**

In respect of tangible assets acquired during the year, depreciation is provided on written down value method so as to write off the cost of the assets over the useful lives in the manner specified in Schedule II to the Companies Act, 2013.

For assets acquired prior to April 1, 2014, the carrying amount as on April 1, 2014 is depreciated over the remaining useful life. Additions made to an asset up to 15<sup>th</sup> of a month are subjected to pro-rata depreciation for the period commencing from that month and those made after 15<sup>th</sup> of a month are subjected to pro-rata depreciation from the start of the subsequent month keeping in view the materiality of amounts involved.

Intangible assets (Software Product) are amortised over their respective individual estimated useful lives on a straight-line basis, from the date they are available for use. The management estimated useful life for Software Products at 30 months.

Other intangible assets are amortised @ 40% on written down value method.

Depreciation and amortisation methods, useful lives and residual values are reviewed periodically, including at each financial year end, by the management.

## **2.7 Inventory valuation**

Inventory is valued as certified by the board of directors and is valued at cost or net realizable value whichever is lower. Costs are ascertained using FIFO method. The cost of inventories comprises of all costs of purchase, cost of conversion and other costs incurred in bringing the inventories to its present location and condition including taxes, other than those subsequently recoverable by the enterprise from the taxing authorities.

## **2.8 Employee benefits**

### **(i) Short term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, bonus and incentives. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service rendered by employees. The company does have a policy for payment of leave encashment.

### **(ii) Post-employment benefits**

Contribution to provident fund and superannuation for are accounted for on accrual basis.

The Company has subscribed to Group Gratuity Scheme of Life Insurance Corporation of India (LIC) and annual contribution is deposited with LIC as per actuarial valuation given by LIC.

The company provides for a gratuity, covering eligible employees. The plan provides a lump sum payment to vested employees at retirement of an amount based on the respective employee's salary and tenure of the employment with the Company. Liability for Gratuity as at the period end is provided on the basis of valuation done by actuary and is fully funded with Life Insurance Corporation of India.

## **2.9 Accounting for taxes on income**

Income tax expense comprises of current tax (i.e. amount of tax for the period determined in accordance with the applicable income tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities using applicable tax rate and tax laws.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

## **2.10 Operating leases**

Lease rentals in respect of assets acquired on operating leases are recognized in the statement of profit and loss on a straight-line basis over the lease term except in case of immovable property wherein, having considered the materiality of amount involved, the operating leases are recognized on accrual basis by the management.

## **2.11 Earnings per share (EPS)**

The basic earnings per share is computed by dividing the net profit/loss attributable to the equity shareholders for the year/period by the weighted average number of equity shares outstanding during the reporting year/ period.

**2.12 Goods and service Tax (GST)**

The input tax credit in respect of inward supplies are availed as per the provisions of law and are adjusted against the tax payable on outward suppliers and any excess of tax payable over and above input tax credit is recognized as current liability.

Pre-GST regime Taxes and GST paid on advances as received from customers against services that are yet to be rendered are recognized as current assets. These are adjusted against the accruing tax liability as and when billed.

Tax and duty credits availed by way of input tax credit under the laws existing prior to commencement of GST regime have been claimed as transition credits eligible as input tax credit under the GST regime.

**2.13 Provisions, contingent liabilities and contingent assets**

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed. Loss contingencies arising from claims, litigation, assessment, fines, penalties etc are recorded when it is probable that a liability has been incurred and the amount can be reasonably ascertained.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

**Note 3 : Share Capital**

Share Capital	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No.	₹	No.	₹
<b>Authorised</b>				
Equity Shares of ₹ 100 each	25,000	2,500,000	25,000	2,500,000
<b>Issued</b>				
Equity Shares of ₹ 100 each	25,000	2,500,000	25,000	2,500,000
<b>Subscribed &amp; Paid up</b>				
Equity Shares of ₹ 100 each fully paid	25,000	2,500,000	25,000	2,500,000
<b>Subscribed but not fully Paid up</b>				
Equity Shares of ₹ 100 each fully paid	—	—	—	—
<b>Total</b>	25,000	2,500,000	25,000	2,500,000

**Reconciliation of shares outstanding at the end of the year**

Particulars	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No.	₹	No.	₹
Shares outstanding at the beginning of the year	25,000	2,500,000	25,000	2,500,000
Shares Issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	25,000	2,500,000	25,000	2,500,000

**Rights, preference and restrictions attached to equity shares**

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The Company declares and pays dividend in Indian Rupees. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company.

**Shareholders holding more than 5% shares in the company**

Name of Shareholder	As at 31 <sup>st</sup> March, 2018		As at 31 <sup>st</sup> March, 2017	
	No.	%	No.	%
The Cosmos Co-op. Bank Limited	25,000	100	25,000	100

**Note 4 : Reserves and Surplus**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
<b>Surplus in Statement of Profit and Loss</b>		
Opening balance	5,18,57,863	3,71,97,901
(+) Net Profit/(Net Loss) For the current year	2,21,56,405	1,76,68,923
(-) Dividend Distribution Tax	5,08,940	5,08,960
(-) Interim Dividends (Refer Note No. 19)	25,00,000	25,00,000
<b>Closing Balance</b>	<b>7,10,05,328</b>	<b>5,18,57,863</b>
<b>General Reserve</b>		
Opening Balance	13,00,000	13,00,000
<b>Closing Balance</b>	<b>13,00,000</b>	<b>13,00,000</b>
<b>Total ₹</b>	<b>7,23,05,328</b>	<b>5,31,57,863</b>

**Note 5 : Other Current Liabilities**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
Income received in advance/Advance from Customers	62,89,746	24,34,537
Other payables	1,22,16,812	1,15,06,764
<b>Total</b>	<b>1,85,06,558</b>	<b>1,39,41,301</b>

**Note 6 : Fixed Assets**

	FIXED ASSETS	GROSS BLOCK					ACCUMULATED DEPRECIATION					NET BLOCK	
		Balance as at 01-Apr-17	Additions/ (Disposals)	Acquired through business combinations	Revaluations/ (Impairments)	Balance as at 31-Mar-18	Balance as at 01-Apr-17	Depreciation charge for the year	Adjustment due to revaluations	On disposals	Balance as at 31-Mar-18	Balance as at 31-Mar-17	Balance as at 31-Mar-18
		₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹	₹
a.	<b>Tangible Assets</b>												
	Vehicles	17,23,580	—	—	—	17,23,580	9,64,611	2,49,741	—	—	12,14,352	7,58,969	5,09,228
	Furniture and Fixtures	19,67,580	—	—	—	19,67,580	6,68,653	3,36,461	—	—	10,05,114	12,98,927	9,62,466
	Computer System - Hardware	55,68,001	3,25,000	—	—	58,93,001	45,09,498	6,25,793	—	—	51,35,291	10,58,503	7,57,709
	Office Equipments	13,53,161	—	—	—	13,53,161	7,49,064	2,75,873	—	—	10,24,937	6,04,097	3,28,225
	Land & Building	2,33,50,000	—	—	—	2,33,50,000	22,18,250	20,64,047	—	—	42,82,297	2,11,31,750	1,90,67,703
	<b>Total</b>	<b>3,39,62,322</b>	<b>3,25,000</b>	<b>—</b>	<b>—</b>	<b>3,42,87,322</b>	<b>91,10,076</b>	<b>35,51,915</b>	<b>—</b>	<b>—</b>	<b>1,26,61,991</b>	<b>2,48,52,246</b>	<b>2,16,25,331</b>
b.	<b>Intangible Assets</b>												
	Computer Software - Internet Banking	54,79,682	4,61,875	—	—	59,41,557	54,79,681	1,09,188	—	—	55,88,869	1	3,52,689
	Computer Software - Mobile Banking	22,49,012	67,500	—	—	23,16,512	5,24,861	8,99,761	—	—	14,24,622	17,24,152	8,91,890
	Computer System - Software	14,57,921	21,46,839	—	—	36,04,760	10,43,509	1,65,765	—	—	12,09,274	4,14,412	23,95,486
	Oracle E-Business Suite Software	2,01,89,699	—	—	—	2,01,89,699	1,74,05,863	11,13,534	—	—	1,85,19,397	27,83,836	16,70,301
	<b>Total</b>	<b>2,93,76,314</b>	<b>26,76,214</b>	<b>—</b>	<b>—</b>	<b>3,20,52,528</b>	<b>2,44,53,914</b>	<b>22,88,248</b>	<b>—</b>	<b>—</b>	<b>2,67,42,161</b>	<b>49,22,400</b>	<b>53,10,366</b>
	<b>Grand Total</b>	<b>6,33,38,636</b>	<b>30,01,214</b>	<b>—</b>	<b>—</b>	<b>6,63,39,850</b>	<b>3,35,63,990</b>	<b>58,40,163</b>	<b>—</b>	<b>—</b>	<b>3,94,04,153</b>	<b>2,97,74,647</b>	<b>2,69,35,697</b>

**Note 7 : Long term loans and advances**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
Advance Tax and Tax Deducted as Source (Net of Provision)	32,27,088	29,27,212
<b>Total</b>	<b>32,27,088</b>	<b>29,27,212</b>

**Note 8 : Trade receivables**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
Outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	22,02,314	4,59,356
Other Trade Receivables		
Unsecured, considered good	2,20,38,531	1,18,45,857
<b>Total</b>	<b>2,42,40,845</b>	<b>1,23,05,213</b>

**Note 9 : Inventories**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
Inventories		
(Valued at Cost or Net Realisable value whichever is lower and as Certified by Management)		
Finacle Licenses	2,77,50,000	—
Traded Goods	57,930	7,00,875
<b>Total</b>	<b>2,78,07,930</b>	<b>7,00,875</b>

**Note 10 : Cash and Cash Equivalents**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
Cash on hand	196	3,990
Balances with banks		
Current Accounts	77,67,553	31,34,225
Term Deposit	1,00,00,000	—
<b>Total</b>	<b>1,77,67,749</b>	<b>31,38,215</b>

**Note 11 : Short Term Loans and Advances**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
Deposits		
Unsecured, considered good	14,17,400	14,42,400
Prepaid Expenses		
Unsecured, considered good	5,88,003	4,15,608
Other Advances		
Unsecured, considered good	55,626	13,68,500
<b>Total</b>	<b>20,61,029</b>	<b>32,26,508</b>

**Note 12 : Other Current Assets**

Particulars	As at 31 <sup>st</sup> March, 2018 ₹	As at 31 <sup>st</sup> March, 2017 ₹
Unbilled revenue	1,52,58,714	1,85,62,072
Balances with government authorities - Unsecured, considered good		
CENVAT Credit Receivable	6,19,303	18,55,066
Accrued Interest	3,19,126	-
<b>Total</b>	<b>1,61,97,143</b>	<b>2,04,17,138</b>

**Note 13 : Revenue from operations**

Particulars	For the year ended 31 <sup>st</sup> March, 2018 ₹	For the year ended 31 <sup>st</sup> March, 2017 ₹
Sale of products	1,74,15,000	7,02,000
Sale of Services	12,31,75,848	13,50,80,397
<b>Total</b>	<b>14,05,90,848</b>	<b>13,57,82,397</b>

**Note 14 - Other Income**

Particulars	For the year ended 31 <sup>st</sup> March, 2018 ₹	For the year ended 31 <sup>st</sup> March, 2017 ₹
Interest received	3,54,585	-
Miscellaneous income	71,107	5,213
(Includes availment of Cenvat Credit of ₹ 67187 valued in Opening Stock)		
Sundry Balances Written Back	2,27,951	-
<b>Total</b>	<b>6,53,643</b>	<b>5,213</b>

**Note 15 - Expenses relating to operating activity**

Particulars	For the year ended 31 <sup>st</sup> March, 2018 ₹	For the year ended 31 <sup>st</sup> March, 2017 ₹
Software Technical Support Cost	95,49,422	74,69,610
Expenses for Client Specific Projects	4,59,91,653	2,20,37,898
<b>Total</b>	<b>5,55,41,075</b>	<b>2,95,07,508</b>

**Note 16 - Employee Benefit Expenses**

Particulars	For the year ended 31 <sup>st</sup> March, 2018 ₹	For the year ended 31 <sup>st</sup> March, 2017 ₹
Salaries and incentives	6,31,52,397	5,85,78,770
Contributions to -		
Provident fund	21,41,955	23,23,210
Pension Fund	12,71,449	12,54,099
Gratuity fund	20,73,615	11,00,000
Employees' Mediciam Insurance Premium	10,17,360	8,43,304
Staff Welfare Expenses	4,20,585	10,12,052
<b>Total</b>	<b>7,00,77,361</b>	<b>6,51,11,435</b>

**Note 17 - Other Expenses**

Particulars	For the year ended 31 <sup>st</sup> March, 2018 ₹	For the year ended 31 <sup>st</sup> March, 2017 ₹
Electricity Charges	233,580	189,665
Rent, Rates and Taxes	1,991,616	1,973,068
Telephone Charges	49,155	81,455
Interest on delayed payment of statutory dues	-	18,450



Particulars	For the year ended 31 <sup>st</sup> March, 2018 ₹	For the year ended 31 <sup>st</sup> March, 2017 ₹
Travelling & Conveyance		
Travelling Expenses	324,844	1,657,893
Conveyance Expenses	-	4,789
Motor Vehicle Expenses	54,674	75,813
Printing and Stationery	9,761	15,130
Professional & Consultancy Fees	1,483,262	2,938,901
Payment to auditors (Refer Note below)	75,000	75,375
Miscellaneous Expenses	733,083	647,359
<b>Total</b>	<b>4,954,976</b>	<b>7,677,898</b>

Payments to the auditors comprises (net of GST / Service Tax input credit, wherever applicable)

Particulars	For the year ended 31 <sup>st</sup> March, 2018 ₹	For the year ended 31 <sup>st</sup> March, 2017 ₹
As auditors - Statutory Audit	45,000	45,375
For taxation matters	15,000	15,000
For Other Services	15,000	15,000
<b>Total</b>	<b>75,000</b>	<b>75,375</b>

#### Note 18 : Exceptional Items

Particulars	For the period ended 31 Mar 2018 ₹	For the period ended 31 Mar 2018 ₹
Provision for Gratuity relating to earlier periods	(11,66,041)	—
<b>Total</b>	<b>(11,66,041)</b>	<b>—</b>

#### Note 19: Interim Dividend Paid

Particulars	For the period ended 31 Mar 2018 ₹	For the period ended 31 Mar 2018 ₹
<b>Interim Dividend Paid on 25000 Equity Shares of ₹ 100 Each</b>		
Interim Dividend Paid on 25000 Equity Shares @ ₹ 100 per share	25,00,000	25,00,000
<b>Total</b>	<b>25,00,000</b>	<b>25,00,000</b>

#### Note 20: Commitment

Particulars	2018 (₹)	2017 (₹)
The estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for at the year / period end	—	—
Other commitments	—	—

#### Note 21: Contingent liability

Particulars	2018 (₹)	2017 (₹)
Other claims not acknowledged as debts	9,50,000	9,50,000

## Note 22 : Deferred tax asset (net)

As per the Accounting Standard 22, "Accounting for taxes on income", the Company would have a net deferred tax liability, on account of items giving rise to timing differences. Particulars thereof are as under.

Particulars	2018 (₹)	2017 (₹)
<b>Deferred Tax Liability (A)</b>		
Difference in depreciation as per books of account and tax	(2,00,281)	(7,36,120)
<b>Deferred Tax Asset (B)</b>		
Disallowance of Gratuity Provision S. 43B of IT Act, 1961	4,88,636	—
Net Deferred Tax Asset (B-A)	2,88,355	(7,36,120)

## Note 23 - Earnings per share

The number of shares used in computing Basic earnings per share (EPS) is the weighted average number of shares outstanding during the year.

Computation of Earnings Per Share	2018 (₹)	2017 (₹)
Net Profit after tax attributable to equity shareholders (A)	2,21,56,405	1,76,68,923
Nominal Value per share	100	100
Weighted average number of equity shares issued (B)	25,000	25,000
Basic earnings per equity share (A / B) (₹)	886.26	706.76

The Company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earnings per share of the Company remains the same.

## Note 24 - Related party disclosure

In accordance with the requirements of Accounting Standard 18 - Related Party transactions as prescribed under the Companies (Accounting Standards) Rules, 2006, the details of related party transactions are given below.

### List of Related Parties

Nature of Relationship	Name of Related Party
Holding Organisation	The Cosmos Co-operative Bank Ltd
Key Managerial Person	Mrs. Arti Dhole, Managing Director Dr. Mukund Abhyankar, Director Mr. Ashutosh Joshi, Director Mr. Vasant Manwadkar (Previous Year)

### Transactions with related party

Holding Organisation	2018 (₹)	2017 (₹)
<b>Revenue and Expense Items</b>		
Sale of Services (Net of Taxes and Credits)	10,69,87,062	9,89,00,192
Interest Received on Term Deposit	3,54,585	0
Dividend Paid on Equity Shares	25,00,000	25,00,000
<b>Closing Balances</b>		
Trade receivable (net)	1,20,94,528	88,52,801
Balance in Current Accounts with Bank	77,66,996	31,29,796
Balance in Term Deposits with Bank	1,00,00,000	0
<b>Key Managerial Person</b>		
Remuneration to Managing Director		
Mr. Vasant Manwadkar	0	13,64,928
Mrs. Arti Dhole	28,39,292	6,03,168
Directors Meeting Fees	20,000	45,000

## Note 25 - Dues to micro and small suppliers

Under the Micro Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2nd October 2006, information has been determined to the extent such parties have been identified on the basis of information available with the Company:

Particulars	2018 (₹)	2017 (₹)
Principal amount remaining unpaid to any supplier as at the year end	—	—
Interest due remaining unpaid to any supplier as at the year end	—	—
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	—	—
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED	—	—
Amount of interest accrued and remaining unpaid at the end of the accounting year	—	—
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible	—	—

**Note 26 - Expenditure in foreign currency (on accrual basis)**

	2018 (₹)	2017 (₹)
Travelling Expenses	0	5,91,229
<b>Total</b>	<b>0</b>	<b>5,91,229</b>

**Note 27 - Provision for Gratuity**

Defined Benefit Plan: The Group provides for its liability towards gratuity as per the actuarial valuation. The present value of the accrued gratuity minus fund value is provided in the books of accounts.

**I) Changes in benefit obligation for the Company:**

Particulars	2018 (₹)	2017 (₹)
<b>Assumptions</b>		
Discount Rate	7.60%	6.90%
Expected Return on Plan Assets	8.00%	8.25%
Salary Escalation	8.00%	5.00%
<b>Table Showing Changes in Present Value of Obligations</b>		
Present Value of Obligations as at Beginning of Year	11,020,058	10,108,459
Interest Costs	752,821	759,363
Current Service Costs	1,132,100	1,020,153
Benefits Paid	(219,231)	(992,526)
Actual (Gain) / Loss on Obligations	11,005	124,609
Past Service Costs	931,901	-
Present Value of Obligations as at end of year	13,628,654	11,020,058
<b>Table Showing Changes In Fair Value of Plan Assets</b>		
Fair Value of Plan Assets as at beginning of year	9,854,017	9,125,405
Expected Return on Plan Assets	794,797	758,517
Contributions	381,114	1,130,000
Benefits Paid	(219,231)	(992,526)
Mortality Charges & Taxes	(80,972)	(103,537)
Actuarial Gain / (Loss) on Plan Assets	(40,585)	(63,842)
Fair Value of Plan Assets as at end of year	10,689,140	9,854,017
Funded Status	—	—
Actual Return on Plan Assets	754,212	694,675
<b>Actual Gain / Loss Recognized</b>		
Actuarial Gain / (Loss) For the Year - Obligation	(11,005)	(124,609)
Actuarial Gain / (Loss) For the Year - Plan Assets	(40,585)	(63,842)
Total Gain / (Loss) for The Year	(51,590)	(188,451)
Actuarial Gain / (Loss) Recognized in The Year	(51,590)	(188,451)
<b>Amounts to be Recognized in the Balance Sheet</b>		
Present Value of Obligations as at the end of the year	13,628,654	11,020,058
Fair Value of Plan Assets as at the end of the year	10,689,140	9,854,017

Particulars	2018 (₹)	2017 (₹)
Funded Status Surplus / (Deficit)	(2,939,514)	(1,166,041)
Non-Current Liability	10,689,140	9,854,017
Net Assets / (Liability) Recognized in Balance Sheet	(29,39,514)	0
<b>Expenses Recognized in Statement of Profit &amp; Loss</b>		
Current Service Cost	1,132,100	1,020,153
Interest Cost	752,821	759,363
Expected Return on Plan Assets	(794,797)	(758,517)
Net Actuarial (Gain) / Loss recognized In the Year	0	188,451
Past Service Cost	931,901	21,78,914
Actuarial (Gain) / Loss recognized in the period	51,590	188,451
Expenses Recognized in Statement of Profit and Loss	20,73,615	0
Expenses Recognized in Statement of Profit and Loss as Prior Period Item	11,66,041	0

#### Note 28 - Operating lease

The Company has taken office premise under operating lease. The Company has given refundable security deposit in accordance with the agreed terms. Lease payments of ` 14,44,800/- in respect of such premise are recognised in the Statement of profit and loss under 'Rent, Rates and Taxes' in Note 17 forming part of these financial statements on accrual basis.

With respect to non-cancellable operating lease agreements, the future minimum lease rent payable is as follows:

Particulars	As on 31.03.2018	As on 31.03.2017
Not Later than one year	Nil	Nil
Later than one year and not later than five years	36,19,917	50,64,717
More than 5 years	Nil	Nil

#### Note 29 - Goods and service tax (GST)

The management of the company is in process of reconciling GST Input Tax Credits as per the books of account with credit appearing on GST portal in Form GSTR 2A. Pending the same, credit reflecting in the books of account has been considered for preparation of the financial statements.

**Note 30** - Balances of Loans and Advances received and given, Trade Payables and Trade Receivables are subject to confirmations being received from respective parties and have been stated as reflecting in the books of account for preparation of the financial statements.

#### Note 31 - Other information

Information relating to other matters specified in revised Schedule III to the Act, is either nil or not applicable to the Company for the year/ period.

#### Note 32 - Previous year comparatives

Previous year's figures have been regrouped, reclassified & rearranged wherever necessary.

As per our report of even date attached,

**For Gokhale & Sathe**  
 Chartered Accountants  
 Firm Registration No: 103264W

**For and on behalf of the Board of Directors of**  
 Cosmos e-Solutions & Services Private Limited

**Gauri S Bedekar**  
 Partner  
 Membership No: 108207

**Dr. Mukund Abhyankar**  
 Director  
 DIN: 00881021

**Ashutosh Joshi**  
 Director  
 DIN: 00546675

**Arti Dhole**  
 Managing Director  
 DIN: 07670787

Place: Pune  
 Date: 09.08.2018

Place: Pune  
 Date: 09.08.2018



Shifting of Annapurna Branch Indore by Mahamandaleswar Swami Vishweshwaranand with Bank's Chairman & Vice Chairman



Shifting of Nagpur Branch in the new premises by Group Chairman Dr. Mukund Abhyankar with Bank's Chairman, Vice Chairman, other Senior Directors & Managing Director



Hon. C. Vidyasagar Rao, Governor of Maharashtra State visited Bank's Corporate Office (Cosmos Tower) seen with Bank's Chairman, Vice Chairman, other Directors & Managing Director



Launching IM-Banking App at the auspicious hands of Hon. C. Vidyasagar Rao, Governor of Maharashtra State 05/11/2017



Shri. Laxmikant Deshmukh-President, Akhil Bharatiya Sahitya Sammelan) visited Bank's Corporate Office (Cosmos Tower) seen with Bank's Chairman Milind Kale, Vice Chairman Govind Kshirsagar & Senior Director Krishnakumar Goyal



Hon. Nitin Gadkari (Minister of Road & Transport) visited Bank's Corporate Office seen with Bank's Chairman, Vice Chairman, other Senior Directors & Managing Director

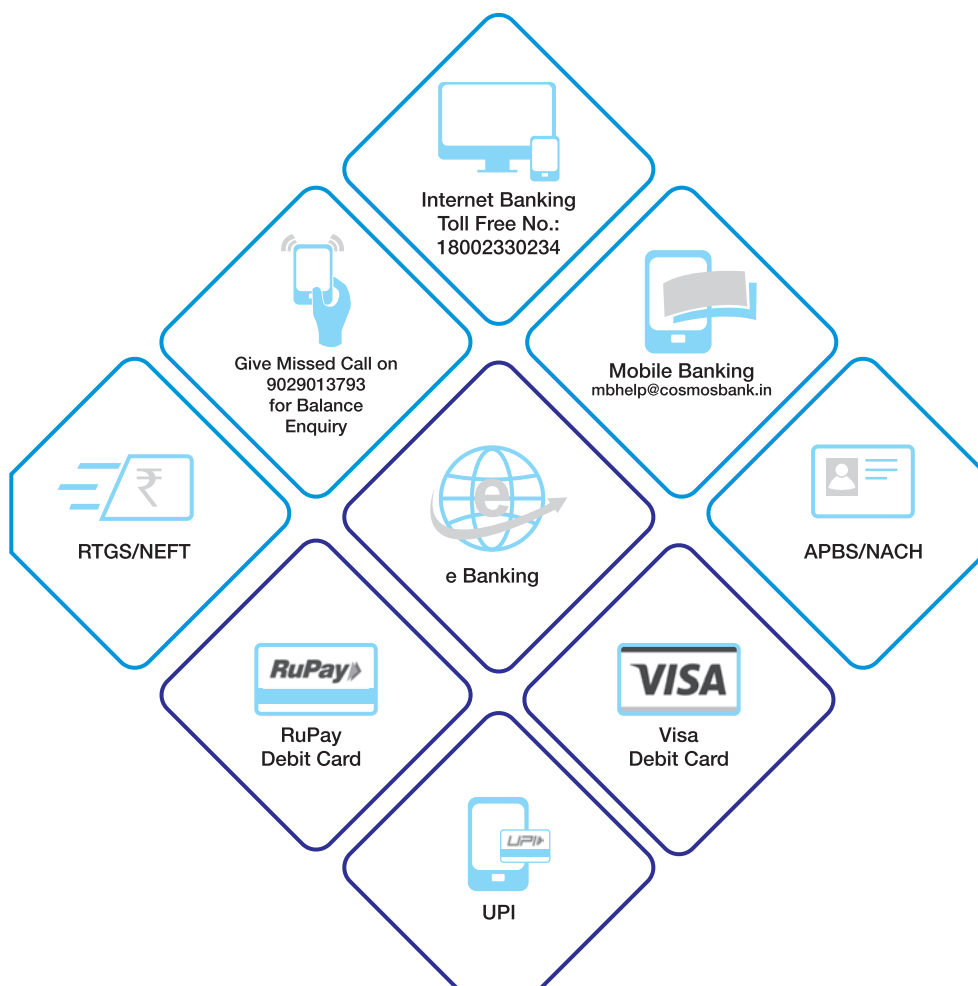


Prof. (Dr.) Nitin R. Karmalkar, Vice Chancellor-Savitribai Phule Pune University visited Bank's Corporate Office seen with Chairman Milind Kale & Senior Director Krishnakumar Goyal



Shri. Kiran Gitte - IAS (Metropolitan Commissioner, Pune) visited Bank's Corporate Office seen with Vice Chairman, other Senior Directors & Managing Director

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**THE COSMOS CO-OP. BANK LTD.**

(Multistate Scheduled Bank)

*Enriching Life!*

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